OCHA Evaluation of Country-Based Pooled Funds

Global Synthesis Report

November 2019
Management, Funding and Implementation of the Evaluation

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Acknowledgements

The evaluation team would like to thank the staff of CBPFs, OCHA, the Advisory Board members, clusters, partners and community members that engaged in the each of the five country case studies and the global interviews. We are grateful for the time and support they provided, and for the information and documentation they shared. We would also like to thank the members of the OCHA's Strategy, Planning, Evaluation and Guidance section for the generous support they provided.

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Cover Photo: IDP settlement in Baidoa. Hindiya left her home village of Momooda 5 months ago fleeing severe drought. In Horsed settlement, she also faced problems to have safe water. Thanks to INTERSOS, implementing SHF-funded projects on water and sanitation in Baidoa, she now has clean water close to her house. Credit: OCHA/ INTERSOS
Global synthesis report: Executive summary

Introduction

1. This evaluation of Country-Based Pooled Funds (CBPF) has two main purposes: to improve accountability and learning, and to examine the results of the humanitarian action supported by CBPFs between 2015 and 2018, with the purpose of drawing lessons on what has worked well. It also identifies challenges to their effective functioning and provides recommendations on how to continue to strengthen CBPFs as a funding mechanism in support of timely, coordinated and principled humanitarian response for affected people. The evaluation will contribute to greater transparency and accountability for key stakeholders.

2. This global synthesis report draws on the findings of the country case studies, remote interviews, document review and online survey responses to record findings against the questions outlined in the evaluation matrix.

Approach

3. The team used a mixed-methods approach for data collection and analysis that included document review (see annex 3 for a bibliography), project-related data analysis, semi-structured key informant interviews (see annex 2 for a list of participants) and gender disaggregated focus group discussions with communities. The table below provides a summary of evidence sources for the evaluation.

Table 1: Summary of data collection methods and sources

<table>
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<th>Tools and methods</th>
<th>Description</th>
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<tr>
<td>Country Participation</td>
<td>The team made country visits to Somalia, South Sudan, the Occupied Palestinian Territory (oPt), Iraq and Afghanistan. It conducted additional remote interviews with informants in the Democratic Republic of the Congo (DRC), Ethiopia, Yemen and Syria cross-border Funds.</td>
</tr>
<tr>
<td>Document and literature review</td>
<td>280 documents cited in the case study reports, the inception report and this synthesis report. The evaluation drew from a repository of 5,763 documents.</td>
</tr>
<tr>
<td>Key informant interviews</td>
<td>683 key informants participated in the evaluation - 39 per cent female and 61 per cent male.</td>
</tr>
<tr>
<td>Community engagement</td>
<td>705 community members participated in gender disaggregated focus group discussions in 20 CBPF-funded projects across the five case studies.</td>
</tr>
<tr>
<td>Online survey</td>
<td>Stakeholders across all 18 CBPFs received an online survey available in English, French and Arabic. A total of 1,387 individuals participated, with 1,276 submitting completed survey responses.</td>
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</table>

Findings

Is the management of CBPFs ‘fit for purpose’ and do they operate efficiently?

4. While CBPFs continue to rely mainly on traditional OECD-DAC donors, they have grown significantly: $578 million from 19 donors in 2015 to $950 million from 34 donors in 2018. This is a consequence of their contribution to strengthening the humanitarian system, supporting response, and enabling donors to meet Grand Bargain (GB) commitments (to reduce earmarking, harmonize reporting, and strengthen the delivery of assistance through cash and vouchers and localization in particular). Early and predictable donor contributions to CBPFs are crucial to their operating, providing...
adequate time to prioritize funds strategically and to use them to complement other funding.

5. Donors provided consistently positive feedback on risk management, comparing OCHA favorably to other UN agencies. However, this achievement is fragile and it is anticipated that risks will increase as OCHA takes over the Managing Agent (MA) responsibilities in four countries and if aspirations to grow the funds to 15 per cent of HRP funding are realized. This underlines the need to ensure that there is adequate staffing capacity for risk management, particularly at headquarters level, both now and to accommodate anticipated growth in the future.

6. OCHA has standardized the CBPFs considerably during the evaluation period though they retain the flexibility to adapt to specific country contexts. Developed and maintained with minimal resources, the Grant Management System (GMS) has been an important tool for ensuring standardization, promoting an inclusive agenda and helping to deliver GB commitments.

7. Improvements in the capacity of Humanitarian Financing Units (HFUs) during the period under evaluation, means that the funds are better placed to address challenges that they may face. However, despite the considerable growth in CBPF contributions, headquarters level capacity to support the funds has reduced slightly which, along with vacant posts, has meant that staff have been required to work beyond their capacity.

To what extent are CBPFs supporting partners to meet the most urgent humanitarian needs in a way that is timely and is consistent with Grand Bargain priorities?

8. CBPFs are broadly aligned with HRPs, but they are also responsive to new needs. The evaluation found that they promote inclusive and transparent allocations to priority needs. While timeliness has improved over the evaluation period and CBPFs are often faster than many other donors, it is important to recognize the trade-off between speed and quality programming.

9. The CBPFs have been successful in shaping the humanitarian system and have been called upon to promote a growing range of cross-cutting issues, including gender, age, protection, assisting Persons with Disabilities (PwD) and accountability to affected populations (AAP). While this confidence is encouraging, the weight of expectation places considerable pressure on the funds despite their limited scope to address the systemic challenges that hinder the delivery of this progressive agenda (such as a siloed cluster structure that is a barrier to multi-sectoral programming or partner implementation capacity).

10. With a focus on humanitarian response, CBPF projects may be as short as six or nine months in duration. However, increasingly questions are being asked about the relevance of short project timeframes, particularly in protracted crises. While there were a few examples of multi-year programs, the lack of multi-year funding from donors makes this a challenge. Concerns also exist about the importance of balancing requests for longer-term funding allocations with the principled nature of CBPF funding, which compels funds to focus on addressing the most urgent needs. The evaluation found that fund-level decision-making was generally sound.

11. CBPFs have achieved a balance between significantly increasing funding to local and national NGOs and maintaining a focus on funding ‘best-placed partners’; in many contexts NGOs are the best placed partners and CBPFs have supported them to deliver assistance. Funds have also promoted localization through greater NGO representation in governance and decision-making fora and some capacity strengthening. Nevertheless, practice varies considerably between funds (such as in promoting pass through of funding, setting targets for the proportion of funding for NGOs, and in the provision of training and support), and there is scope to strengthen guidance in order to promote a more consistent approach.

In what ways do CBPFs contribute to strengthening the outcomes of leadership and coordination?

12. Cluster staff were routinely positive about CBPF contribution to strengthening cluster coordination by bringing partners to the table and enabling clusters to implement their strategies. CBPFs also act as an important convener for the diverse members of the humanitarian community, which has strengthened broader inter-agency collaboration.

13. HCs value CBPFs for strengthening their leadership and offering an operational tool for funding HRPs, filling gaps and advancing humanitarian priorities. However, HCs have, on a few occasions, made decisions with which donors or
Advisory Boards disagreed or which were not considered transparent. While these issues have routinely been resolved, they have placed considerable strain on the fund and the respective HC. The evaluation endorses the authority that HCs have to take decisions on how funds are allocated as part of their leadership role but it also welcomes the process that has been agreed with donors to escalate significant concerns.

14. While CBPFs rely heavily on the HC’s leadership, fund performance is also dependent on the capacity of the broader humanitarian system, and in particular, OCHA Heads of Office, fund managers and cluster coordinators. The evaluation found a strong correlation between the effectiveness of the fund and the capacity and competence of this constellation of actors, with a weakness in one affecting the performance of the whole fund. Beyond capacity, personalities, leadership styles and trust all have an important influence on how the fund works and what it can achieve. This is the factor over which there is the least scope to influence or control.

15. The evaluation received generally positive feedback about the ability of multi-hatted HC/Resident Coordinator (RC)/Deputy Special Representative of the Secretary-General (DSRSG) to prioritize the humanitarian aspects of their role, but there were concerns raised about the extent to which they could access, coordinate or influence development funding. For the case studies visited, outside of humanitarian assistance, the aid architecture was either only partially developed or funding allocations were outside the influence of the HC/RC/DSRSG. This limited the HC’s scope to use CBPF funding to complement other funding sources, beyond Central Emergency Response Fund (CERF) allocations. Although there were a few good examples of the complementary use of these two pooled funding mechanisms, there is a clear need to strengthen guidance and share good practice.

In what ways do CBPFs contribute to improving humanitarian response and making a difference to people’s lives?

16. The evaluation collected strong evidence that CBPFs have contributed to providing timely, coordinated and principled assistance. While fund prioritization and allocation processes directly contribute to meeting the principles of humanity and impartiality, the principles of independence and neutrality are influenced by perceptions and actions of the broader humanitarian system. Qualitative evidence shows that the funds have also contributed to saving lives, alleviating suffering and maintaining dignity though this is harder to measure because the humanitarian system generates very little outcome and impact-level data.

17. Across the case studies, partners used CBPFs to fill gaps in the response as well as leading and catalyzing responses to both slow and rapid onset crises. There were examples of how CBPFs have supported early action in response to droughts in Somalia and Afghanistan. The Somalia fund is also a good example of how CBPFs can promote more sustainable approaches to humanitarian response in a protracted crisis without straying away from their mandate and into financing resilience-building activities.

18. The evaluation documented examples of CBPFs funding preparedness in conflict settings such as in Iraq and Yemen. These highlighted the challenges of predicting the impact of conflict on population displacements and humanitarian needs because of the complex range of evidence that has to be collated for informed decision-making. They also demonstrate the difficulties of balancing a response to existing unmet humanitarian needs on one hand and putting in place measures to meet and/or reduce expected humanitarian needs on the other.

19. Discussions with affected people revealed that recipients of CBPF-funded assistance were generally positive about its timeliness and relevance with output data suggesting the considerable role that CBPFs have played in delivering humanitarian services. However, there were weaknesses in the partner capacity to understand the differential effect of humanitarian crises on different groups, particularly women, and the additional challenges that they faced in participating in program design or having access to feedback and complaints mechanisms.

Summary conclusions

20. CBPFs are fit for purpose to respond to the humanitarian crises of today — both in terms of funding neglected aspects of response, as well as providing life-saving assistance. They are also adaptable and able to accommodate changes in humanitarian priorities and program approaches. This includes a significant contribution to advancing GB priorities.

21. OCHA has invested in its management and support of the funds by strengthening the HFUs and establishing rig-
orous compliance and risk management procedures. However, the increase in the size of the CBPFs and the complexity of the contexts in which they operate, means that they remain fragile and there continues to be a need for OCHA to nurture and support them to ensure that they are future-ready. This will require that CBPFs learn lessons about how to anticipate and prepare for crises, alongside re-asserting their humanitarian mandate to ensure they are not stretched beyond what they are able to deliver.

22. By keeping a focus on the delivery of principled humanitarian assistance, while using the flexibility that has been hard-wired into the funds, CBPFs can maintain their relevance in the future. However, for CBPFs to maximize their impact, the humanitarian system as a whole and the wider aid architecture need to make progress in addressing important gaps which includes overcoming sectorial silos, strengthening the delivery of cross-cutting issues, measuring outcomes and putting in place complementary funding.

**Recommendations**

23. Based on the evaluation findings and conclusions outlined above, the table below proposes a number of recommendations to help strengthen the functioning of CBPFs.

<table>
<thead>
<tr>
<th>#1</th>
<th><strong>Strategic leadership of Pooled Fund Management</strong></th>
<th>IMPORTANT</th>
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<tbody>
<tr>
<td><strong>Problem statement</strong></td>
<td>While OCHA’s change process addressed coherence in the management of pooled funding, CBPFs and CERF continue largely to co-exist rather than cohere and there is considerable scope for OCHA to strengthen commonalities at both strategic and operational levels.</td>
<td></td>
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<tr>
<td><strong>Recommendation</strong></td>
<td>Outline a common vision and strategy for CBPFs and CERF that maximizes effectiveness, reaffirms their role in the humanitarian financing architecture and sets out a clear path for the achievement of their expanded funding targets.</td>
<td></td>
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</table>
| **Recommended actions** | 1. Identify policy and operational aspects of the two funding mechanisms that would benefit from a harmonized approach. The purpose of this should be to strengthen the coherence and effectiveness of pooled funding in delivering results for affected communities, rather than finding efficiencies, as headquarters capacity to support CBPFs is already stretched (see recommendation #3).  
2. Strengthen complementarity between CBPFs and CERF at a country-level through the issuance of revised guidance and dissemination of good practice. This should include a consistent approach to reporting beneficiary and other quantitative data. | |
<p>| <strong>Responsible</strong> | 1, 2 – Pooled Fund Management Branch | |</p>
<table>
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<tr>
<th>#2</th>
<th><strong>Revise guidance and promote good practice</strong></th>
<th>IMPORTANT</th>
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<tr>
<td><strong>Problem statement</strong></td>
<td>CBPFs exist in a dynamic humanitarian context and have themselves changed as they have sought to deliver effective assistance. These changes in humanitarian policy and CBPF practice offer important opportunities to strengthen guidance and promote good practise.</td>
<td></td>
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<tr>
<td><strong>Recommendation</strong></td>
<td><strong>Revise global guidance and promote good practice to strengthen CBPF performance.</strong></td>
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| **Recommended actions** | 1. Revise the Operational Impact Model in the current Policy Instruction to ensure more realistically measurable outcomes.  
2. Review the Operational Handbook to ensure that it addresses cross-cutting issues adequately (noting that gender & AAP are addressed, but disability and protection are less visible).  
3. Prepare good practice notes for the following aspects of the CBPFs  
   - Identify and collate lessons from the Yemen Humanitarian Fund (YHF) on the contextualization of the global guidance for large funds with a view to documenting good practice.  
   - How, under what circumstances, and in what contexts (e.g. conflict, drought etc.) CBPFs should consider preparedness allocations.  
   - The use of CBPFs to incentivize and promote integrated or multi-sector programs.  
   - The use of multi-year CBPF projects to respond to protracted crises.  
   - Effective approaches to training or capacity building to promote NNGOs as ‘best placed partners.’ |          |
| **Responsible** | 1, 2, 3 – CBPF Section, 3 – CBPF Section and YHF Fund Manager |          |

<table>
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<tr>
<th>#3</th>
<th><strong>Global support</strong></th>
<th>IMPORTANT</th>
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<tr>
<td><strong>Problem statement</strong></td>
<td>CBPFs have grown considerably over the evaluation period. Although fund management capacity has increased at country level, there are often critical gaps. At headquarters level, capacity has stagnated, making it difficult to provide HFUs with the strategic and operational support that they need to function effectively.</td>
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<td><strong>Recommendation</strong></td>
<td><strong>OCHA, and the CBPF-Section specifically, should ensure it has the human resources capacity to meet the current needs of CBPFs (including for the four funds that are transitioning from UNDP) in addition to being future-proofed to ensure high quality support as the funds grow to meet the expanded funding target</strong></td>
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| **Recommended actions** | 1. Ensure the CBPF-Section has adequate capacity to revise, draft and disseminate policies such as those outlined in recommendation 2.  
2. Create a standby team for field deployment to CBPFs of two staff members (with the potential to support policy development and associated tasks, as outlined above, between deployments)  
3. Make better use of the ASP roster to recruit staff with the necessary skills and profile to fill gaps and ensure surge capacity  
4. Develop HR metrics to monitor CBPF (HFU and CBPF-Section) staffing, including the timeliness of recruitment, retention and vacancy rates, for review on a quarterly basis.  
5. Develop a CBPF start-up/close-out toolkit including tools and templates. |          |
<p>| <strong>Responsible</strong> | 1 – OCHA Senior Management, 2, 3, 4 – OCHA Senior Management, HR Section, 5 – CB-PF-Section |          |</p>
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<tr>
<th>#4</th>
<th>Resource mobilization</th>
<th>IMPORTANT</th>
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<td><strong>Problem statement</strong></td>
<td>While funding for CBPFs has increased over time, the evaluation found that CBPF resource mobilization aspirations and responsibilities lacked clarity. There is also no coherent strategy to galvanize collective resource mobilization efforts at field and headquarters levels.</td>
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<tr>
<td><strong>Recommendation</strong></td>
<td>Develop a global level strategy to achieve the expanded 15 per cent funding target that outlines a coherent approach to resource mobilization. At a fund-level, ensure that OCHA country office resource mobilization strategies include a clear set of actions in order to ensure coordination and to strengthen accountability for resource mobilization.</td>
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</table>
| **Recommended actions** | 1. Develop a comprehensive resource mobilization approach at global level in support of the expanded funding target. This should cut across country and institutional boundaries and clarifies responsibilities and communications between OCHA country offices, HCs and OCHA’s Donor Relations Section (DRS).  
2. Develop a clear set of action points in OCHA country office resource mobilization strategies that outline aspirations for scale, donor targets and an approach that draws on the capacities of AB members (particularly donors). | |
| **Responsible** | 1 – to be led by DRS, 2 – OCHA country offices in coordination with HCs, ABs and DRS | |

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<tr>
<th>#5</th>
<th>Risk management and monitoring</th>
<th>CRITICAL</th>
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<tr>
<td><strong>Problem statement</strong></td>
<td>While donors regard OCHA's risk management mechanisms for CBPFs as robust, their trust could be undermined easily. OCHA must continue to ensure that it provides high quality support and guidance on risk management from headquarters level, particularly in areas where responsibilities are unclear and require clarification, or where capacity is insufficient and needs to be strengthened.</td>
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<tr>
<td><strong>Recommendation</strong></td>
<td>The CBPF-Section should continue to strengthen its capacity and guidance to address headquarters and fund-level risks. It is essential that any changes take adequate account of the forthcoming transition in MA responsibilities as well as the aspirations for the expansion of the funds.</td>
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</table>
| **Recommended actions** | 1. Given the scale of the funds, the risks that they face at both headquarters and field levels and the associated need to manage these effectively, the CBPF-Section should develop a headquarters-level risk management framework that identifies and seeks to manage key risks that have been identified during the evaluation. This includes a lack of adequate capacity in the Section for maintaining and developing the GMS to respond to future needs.  
2. CBPF global guidance makes it clear that HFUs should work with clusters to monitor CBPF program quality. However, cluster coordinators have different interpretations of their role and different levels of resources/capacity to undertake monitoring, which is a key risk. While this is a system-level constraint, it has important implications for the CBPFs, which will need to be managed.  
3. Ensure that the OCFMU's plans to strengthen its capacity to provide leadership on compliance issues (particularly forensic audits), and the proposal to strengthen the capacity of HFUs, are implemented. | |
<p>| <strong>Responsible</strong> | 1 – CBPF Section Chief, 2 – OCHA and Cluster Lead Agencies, 3 – OCFMU and OCHA | |</p>
<table>
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<tr>
<th>#6</th>
<th><strong>Fund leadership</strong></th>
<th><strong>IMPORTANT</strong></th>
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<tr>
<td><strong>Problem statement</strong></td>
<td>CBPFs have been effective in shaping the humanitarian system and so are called upon to promote a growing range of cross-cutting issues and Grand Bargain priorities. While this is a sign of their success, it also presents risks as funds become over-burdened with expectations of what they can do. These challenges can become acute when the broader humanitarian system is unable to play its full role in delivering fund processes.</td>
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<tr>
<td><strong>Recommendation</strong></td>
<td>The AB, led by the HC, should play a more significant role in articulating a strategic vision for each CBPF that outlines priorities for action and moderates expectations of what the fund is able to achieve to ensure that it is commensurate with humanitarian coordination and partner delivery capacity.</td>
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<tr>
<td><strong>Recommended actions</strong></td>
<td>Fund-level strategies should be light but, at a minimum, cover the following issues: 1. Parameters for efforts to support localization; 2. Level of ambition for inclusion of cross-cutting issues (gender, diversity, AAP, protection) and how these will be supported; 3. An approach to strengthening the sustainability of project outputs, and; 4. Means of strengthening complementarity with CERF.</td>
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<tr>
<td><strong>Responsible</strong></td>
<td>1, 2, 3, 4 – <strong>AB and HC</strong></td>
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<td>AA</td>
<td>Administrative Agent</td>
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<tr>
<td>AAP</td>
<td>Accountability to Affected Populations</td>
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<td>AB</td>
<td>Advisory Board</td>
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<tr>
<td>AG</td>
<td>Advisory Group</td>
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<td>AHF</td>
<td>Afghanistan Humanitarian Fund</td>
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<td>ASP</td>
<td>Associate Surge Pool</td>
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<td>BDO</td>
<td>Binder Dijker Otte</td>
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<td>BI</td>
<td>Business Intelligence</td>
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<td>CBO</td>
<td>Community-Based Organization</td>
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<td>CBPF</td>
<td>Country-Based Pooled Fund</td>
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<td>CERF</td>
<td>Central Emergency Response Fund</td>
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<tr>
<td>CPF</td>
<td>Common Performance Framework</td>
</tr>
<tr>
<td>DSRSG</td>
<td>Deputy Special Representative of the Secretary-General</td>
</tr>
<tr>
<td>ERC</td>
<td>Emergency Relief Coordinator</td>
</tr>
<tr>
<td>FGD</td>
<td>Focus Group Discussions</td>
</tr>
<tr>
<td>FTR</td>
<td>Fund Transfer Request</td>
</tr>
<tr>
<td>FTS</td>
<td>Financial Tracking Service</td>
</tr>
<tr>
<td>GAM</td>
<td>Gender with Age Marker</td>
</tr>
<tr>
<td>GB</td>
<td>Grand Bargain</td>
</tr>
<tr>
<td>GMS</td>
<td>Grant Management System</td>
</tr>
<tr>
<td>HC</td>
<td>Humanitarian Coordinator</td>
</tr>
<tr>
<td>HCT</td>
<td>Humanitarian Country Team</td>
</tr>
<tr>
<td>HFU</td>
<td>Humanitarian Financing Unit</td>
</tr>
<tr>
<td>HNO</td>
<td>Humanitarian Needs Overview</td>
</tr>
<tr>
<td>HoO</td>
<td>Head of Office</td>
</tr>
<tr>
<td>HPC</td>
<td>Humanitarian Program Cycle</td>
</tr>
<tr>
<td>HRP</td>
<td>Humanitarian Response Plan</td>
</tr>
<tr>
<td>IAHE</td>
<td>Inter-Agency Humanitarian Evaluation</td>
</tr>
<tr>
<td>IASC</td>
<td>Inter-Agency Standing Committee</td>
</tr>
<tr>
<td>ICCG</td>
<td>Inter-Cluster Coordination Group</td>
</tr>
<tr>
<td>IDP</td>
<td>Internally Displaced Person</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non-Governmental Organization</td>
</tr>
<tr>
<td>JPO</td>
<td>Junior Professional Officer</td>
</tr>
<tr>
<td>KII</td>
<td>Key Informant Interviews</td>
</tr>
<tr>
<td>MA</td>
<td>Managing Agent</td>
</tr>
<tr>
<td>MHF</td>
<td>Myanmar Humanitarian Fund</td>
</tr>
<tr>
<td>MPCA</td>
<td>Multi-Purpose Cash Assistance</td>
</tr>
<tr>
<td>MPTFO</td>
<td>Multi-Partner Trust Fund Office (UNDP)</td>
</tr>
<tr>
<td>NCE</td>
<td>No Cost Extension</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>NNGO</td>
<td>National Non-Governmental Organization</td>
</tr>
<tr>
<td>OCHA</td>
<td>Office for the Coordination of Humanitarian Affairs</td>
</tr>
<tr>
<td>OIOS</td>
<td>Office for Internal Oversight Services</td>
</tr>
<tr>
<td>OPR</td>
<td>Operational Peer Review</td>
</tr>
<tr>
<td>oPt</td>
<td>occupied Palestinian territories</td>
</tr>
<tr>
<td>PFWG</td>
<td>Pooled Fund Working Group</td>
</tr>
<tr>
<td>ProCap</td>
<td>Protection Standby Capacity</td>
</tr>
<tr>
<td>PSEA</td>
<td>Protection from Sexual Exploitation and Abuse</td>
</tr>
<tr>
<td>PSC</td>
<td>Program Support Costs</td>
</tr>
<tr>
<td>PwD</td>
<td>Persons with Disabilities</td>
</tr>
<tr>
<td>RA</td>
<td>Reserve Allocation</td>
</tr>
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<td>RC</td>
<td>Resident Coordinator</td>
</tr>
<tr>
<td>RCM</td>
<td>Remote Call Monitoring</td>
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<td>RR</td>
<td>Rapid Response (CERF)</td>
</tr>
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<td>RRM</td>
<td>Rapid Response Mechanism</td>
</tr>
<tr>
<td>SA</td>
<td>Standard Allocation</td>
</tr>
<tr>
<td>SAP</td>
<td>Systems Applications and Products</td>
</tr>
<tr>
<td>SG</td>
<td>Secretary-General</td>
</tr>
<tr>
<td>SHF</td>
<td>Somalia Humanitarian Fund</td>
</tr>
<tr>
<td>SO</td>
<td>Strategic Objective</td>
</tr>
<tr>
<td>SOP</td>
<td>Standard Operating Procedure</td>
</tr>
<tr>
<td>SPEGGS</td>
<td>Strategy, Planning, Evaluation and Guidance Section</td>
</tr>
<tr>
<td>SRC</td>
<td>Strategic Review Committee</td>
</tr>
<tr>
<td>SSHF</td>
<td>South Sudan Humanitarian Fund</td>
</tr>
<tr>
<td>ToR</td>
<td>Terms of Reference</td>
</tr>
<tr>
<td>TPM</td>
<td>Third Party Monitor</td>
</tr>
<tr>
<td>UFE</td>
<td>Underfunded Emergencies (CERF)</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>WASH</td>
<td>Water, Sanitation and Hygiene</td>
</tr>
<tr>
<td>YHF</td>
<td>Yemen Humanitarian Fund</td>
</tr>
</tbody>
</table>
## Glossary of terms

<table>
<thead>
<tr>
<th><strong>Accountability</strong></th>
<th>The Operational Handbook highlights that there are two types of accountabilities in relation to CBPFs. The first relates to the ability of CBPFs to achieve their objectives (as illustrated by the operational impact model) as humanitarian financing mechanisms. The second is of recipient organizations to deliver project results.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accountability to affected populations</strong></td>
<td>Accountability to affected populations (AAP) is an active commitment to use power responsibly by taking account of, giving account to, and being held to account by the people humanitarian organizations seek to assist. The Inter-Agency Standing Committee has endorsed four commitments on AAP and Protection from Sexual Exploitation and Abuse (PSEA). These are described under the four headings of leadership, participation and partnership, information, feedback and action, and results.</td>
</tr>
<tr>
<td><strong>Central Emergency Response Fund (CERF)</strong></td>
<td>Established in 2005 as the UN’s global emergency response fund, CERF pools contributions from donors around the world into a single fund allowing humanitarian responders to deliver lifesaving assistance whenever and wherever crises hit. CERF has a US$1 billion annual funding target and is fully un-earmarked to ensure funds go to meet the most urgent, lifesaving needs.</td>
</tr>
<tr>
<td><strong>Country-Based Pooled Funds (CBPF)</strong></td>
<td>CBPFs are established by the UN Emergency Relief Coordinator (ERC) when a new emergency occurs or when an existing humanitarian situation deteriorates. Contributions from donors are collected into single, un-earmarked funds to support local humanitarian efforts. Funds are directly available to a wide range of relief partners at the front lines of the response through an inclusive and transparent process in support of priorities set out in crisis-specific Humanitarian Response Plans. The Humanitarian Coordinator (HC) leads the CBPF at country level on behalf of the Emergency Relief Coordinator (ERC). The CBPF-Section at OCHA headquarters supports OCHA country offices to manage CBPFs on behalf of the HC. As indicated by the three strategic objectives of CBPFs, the funds aim to improve humanitarian responses by focusing funding on priority needs as defined within the framework of the HRP, supporting coordination, strengthening the HC’s leadership role and mobilizing resources. These objectives are expected to result in the provision of timely, coordinated, principled assistance to save lives, alleviate suffering and maintain human dignity.</td>
</tr>
<tr>
<td><strong>Humanitarian action</strong></td>
<td>Humanitarian action comprises assistance, protection and advocacy in response to humanitarian needs resulting from natural hazards, armed conflict or other causes, or emergency response preparedness.</td>
</tr>
<tr>
<td><strong>Humanitarian principles</strong></td>
<td>Underlining all humanitarian action are the principles of humanity, impartiality, neutrality and independence. These principles, derived from international humanitarian law, have been taken up by the United Nations in General Assembly Resolutions 46/182 and 58/114. Their global recognition and relevance are furthermore underscored by the Code of Conduct for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations in Disaster Relief and the Core Humanitarian Standard on Quality and Accountability. The General Assembly has repeatedly reaffirmed the importance of promoting and respecting these principles within the framework of humanitarian assistance.</td>
</tr>
</tbody>
</table>

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| **Grand Bargain** | The Grand Bargain is an agreement between more than 30 of the biggest donors and aid providers, which aims to get more means into the hands of people in need. It includes a series of changes in the working practices of donors and aid organizations that would deliver an extra billion dollars over five years for people in need of humanitarian aid. These changes include gearing up cash programming, greater funding for national and local responders and cutting bureaucracy through harmonized reporting requirements. [8] |
| **Localization** | Localizing humanitarian response is a process of recognizing, respecting and strengthening the leadership by local authorities and the capacity of local civil society in humanitarian action, in order to better address the needs of affected populations and to prepare national actors for future humanitarian responses. [9] |
| **Operational impact** | The 2015 CBPF Policy Instruction defines operational impact as the provision of timely, coordinated, principled assistance to save lives, alleviate suffering and maintain human dignity. [10] |
| **Risk Management** | According to the Operational Handbook, risk management aims to provide a specific set of decision-making tools to support the achievement of strategic outcomes in a transparent manner. Risk management includes risk identification, risk analysis and the development of mitigation strategies to manage residual risks. Partner risk management focuses on tailoring grant management procedures according to the capacity and performance of partners. Funding decisions should consider risk analyses at both levels suggesting the appropriate assurance mechanisms. CBPF risk management procedures do not apply to UN agencies, only to other types of partners. |

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1. Evaluation purpose and methodology

This section outlines the purpose of this report and describes the purpose, objectives and scope of the evaluation.

1.1. Evaluation purpose and scope

24. OCHA has commissioned this evaluation of the 18 Country-Based Pooled Funds (CBPFs) that it managed between 2015 and 2018[11], in partnership with six CBPF donors[12]. It is committed to evaluating the CBPFs every three years and this is the first evaluation since they were standardized globally in a 2015 Policy Instruction and Operational Handbook.[13]

1.1.1. Evaluation purpose and intended users

25. The evaluation has two main purposes – to improve accountability and learning, and to examine the results of the humanitarian action supported by CBPFs with the purpose of drawing lessons on what has worked well. It also identifies challenges to their effective functioning in order to provide recommendations on how to continue to strengthen CBPFs as a funding mechanism in support of timely, coordinated and principled humanitarian response for affected people. It is anticipated that the evaluation will contribute to greater transparency and accountability for all stakeholders involved.[14]

26. At a global level, the intended users are the Emergency Relief Coordinator (ERC) and OCHA, United Nations Development Programme (UNDP) and the Multi-Partner Trust Fund Office (MPTFO), the Pooled Fund Working Group (PFWG), CBPF/NGO platform, UN and NGO partner organizations, and OCHA Donor Support Group. At a country-level, the stakeholders have been identified as Humanitarian Coordinators (HCs), Humanitarian Country Teams (HCTs), Advisory Boards (ABs), OCHA country offices including Humanitarian Financing Units (HFUs), UNDP offices where they act as Managing Agent, representatives from the affected population, NGOs, including local NGOs, UN agencies and donor representatives.

1.1.2. Thematic scope

27. The evaluation examines how CBPFs have performed against their strategic objectives and principles, as per the 2015 OCHA CBPF Policy Instruction. As required by the ToR, the evaluation also assesses how CBPFs have performed against the three expected outcomes[15] and the five principles of inclusiveness, flexibility, timeliness, efficiency, and accountability and risk management, in order to lead to the overall operational impact of CBPFs, i.e., the provision of timely, coordinated, principled assistance to save lives, alleviate suffering and maintain human dignity. This operational impact statement was a key area of focus for the evaluation and the case studies offered a set of snapshots of how CBPF-financed assistance contributed to meeting the humanitarian needs of affected people in the countries visited. This included an assessment of the number of people reached by CBPF-supported humanitarian action.

1.1.3. Temporal scope

28. The evaluation provides an independent assessment of the funds from January 2015 to December 2018. This covers the period since the inception of CBPFs as a single type of country-based pooled fund following the issuance of the 2015 Policy Instruction. The previous evaluation of Common Humanitarian Funds (CHFs) took place in 2015 while the previous evaluation of Emergency Response Funds (ERFs) took place in 2013.[16]

[11] During the evaluation period, CBPFs were operational in the following 18 countries: Afghanistan, Central African Republic, Colombia, Democratic Republic of the Congo, Ethiopia, Iraq, Jordan, Lebanon, Nigeria, Myanmar, Pakistan, occupied Palestinian territory, Somalia, South Sudan, Sudan, Syria, Turkey and Yemen. The Colombia fund closed at the end of 2018. The Haiti fund closed in 2015 and is not part of this evaluation. CBPFs are managed by OCHA. Some funds are administered by UNDP’s Multi-Partner Trust Fund Office as “Administrative Agent” and for some funds, UNDP country offices act as “Managing Agent”, i.e., they transfer money to NGOs.
[12] The evaluation is jointly funded by Belgium, Germany, the Netherlands, Sweden, the UK and the US.
[15] The outcomes, as listed above, focus on response, leadership, coordination and response.
1.1.4. Geographic scope

29. The scope of the evaluation is global; it provides an assessment of all 18 CBPFs that were in operation during the evaluation timeframe. In addition, case studies reviewed the funds in five specific country contexts – Somalia, South Sudan, Iraq, occupied Palestinian territory (oPt) and Afghanistan – in greater detail. The selection of countries was based on a number of criteria (identified by OCHA and the Evaluation Team, in consultation with the Advisory Group) as described in Annex 2. The case studies allowed the evaluation to assess how CBPFs operate in different environments, including natural disasters, conflict situations and complex emergencies, protracted crises and new emergencies (see map in Figure 1).

1.2. Evaluation approach and tools

30. The inception report for this evaluation described the approach and tools in detail and it should be read in conjunction with this report. A summary is provided below.

1.2.1. Analytical framework

31. Given that the primary focus of this evaluation is on practical solutions rather than theory, it uses an analytical framework (see Figure 2 below) that articulates the critical building blocks and enablers of success for CBPFs to deliver their intended impact.

The framework presents a number of different factors for CBPFs that combine at country-level to contribute to the delivery of timely, coordinated and principled humanitarian response for affected people.

### 1.2.2. Evaluation matrix

The evaluation examines the performance of CBPFs under four evaluation questions. Cutting across these are gender, age, AAP, humanitarian reforms and the five CBPF principles.

- **EQ1: Operational impact** - To what extent do CBPFs make a difference in the lives of affected people by addressing the differentiated needs of vulnerable groups?
- **EQ2: Outcomes** - In what ways do CBPFs contribute to strengthening the outcomes of humanitarian response, leadership and coordination and to what extent are CBPFs likely to remain relevant for future humanitarian contexts?
- **EQ3: Activities and outputs** - To what extent are CBPFs supporting partners to meet the most urgent humanitarian needs in a way that is timely and is consistent with Grand Bargain priorities?
- **EQ4: Inputs** - Is the management of CBPFs fit for purpose and do they operate efficiently?

Annex 3 reproduces the evaluation matrix, which includes the four evaluation questions with 13 sub-questions, indicators, methods and tools for data collection and analysis. It also provides the structure for this report.

### 1.2.3. Data collection methods and sources

The team used a mixed-methods approach for data collection and analysis. While much of the data collected was qualitative, it also collected quantitative data in the form of (i) financial and funding data, (ii) project-related data on age and gender, and (iii) metrics related to fund disbursement.
36. The main methods for data collection and analysis for the case studies include document and literature review (see Annex 7 for a bibliography), financial and project-related data analysis, semi-structured key informant interviews (see Annex 6 for a list of interview participants), gender-disaggregated community engagement, and an online survey (a summary of the survey results is provided in Annex 5). Table 2 summarizes the utilization of these methods. Annex 2 provides a detailed outline of the methodology.

Table 2: Summary of data collection methods and sources

<table>
<thead>
<tr>
<th>Tools and methods</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country participation</td>
<td><strong>Case study countries:</strong> Five countries were selected to host case study visits. [18] Somalia (Nairobi, Mogadishu, Somaliland), South Sudan (Juba, Wau), Iraq (Erbil, Kirkuk, Mosul, Sulaymaniyah), oPt (Jerusalem, Ramallah, Gaza, Bethlehem, Hebron), Afghanistan (Kabul, Herat). <strong>Remote participation:</strong> While the team interviewed Fund Managers from all CBPFs, it interviewed a broader set of stakeholders from Yemen, Syria Cross-border, Ethiopia and DRC funds.</td>
</tr>
<tr>
<td>Document and literature review</td>
<td>280 documents cited in this evaluation synthesis report plus a document repository containing 5,763 documents.</td>
</tr>
<tr>
<td>Key informant interviews</td>
<td>Interviews with 683 country-based and headquarters informants comprising 39 per cent female and 61 per cent male.</td>
</tr>
<tr>
<td>Community engagement</td>
<td>Visits to 20 project sites in the four countries with gender-disaggregated focus group discussions with 705 women and men.</td>
</tr>
<tr>
<td>Online survey</td>
<td>The purpose of the online survey was to gather perspectives on CBPFs from a wide range of stakeholders based in all eighteen countries with CBPFs and at the global level. The survey was circulated in English, French and Arabic. Responses were then consolidated to provide one overall summary of the results in English. A total of 1,387 individuals responded to the survey; 1,276 of which provided completed responses. 96 per cent of those who completed the survey were based in countries with CBPFs.</td>
</tr>
</tbody>
</table>

1.2.4. Gender and equity

37. The team applied a gender sensitive approach and sought to examine the extent to which CBPFs address issues of equity. Evaluation questions specifically refer to gender, inclusion and vulnerability. Through the literature review, key informant interviews, and the team’s direct engagement with communities, the evaluation has sought to analyze and assess the extent to which the differential needs, priorities and voices of affected people had been considered in the design, selection, implementation and monitoring of CBPF-funded projects. The team also reviewed the use of the IASC Gender Marker and the more recent Gender with Age Marker (GAM) to examine gender mainstreaming.

1.2.5. Approach to confidentiality

38. The team’s stakeholder analysis highlighted the potential for some issues to be sensitive. In order to mitigate participants’ concerns and to maximize the opportunities to elicit relevant information, the team conducted interviews on the basis of an agreement that details would not be attributed to a specific person or agency. It also adopted this approach for community FGDs. Notes from the interviews and discussions were filed digitally in secure online storage.

1.2.6. Limitations and mitigation measures

39. The inception report identified a number of limitations linked to the quantity and quality of the evidence in addition to mitigation measures. These are outlined in Annex 12.

[18] The locations of key informant interviews and focus group discussions are given in brackets).
2. Evaluation context

This section provides a summary of pooled funds and pooled funding between 2015 and 2018. It should be read in conjunction with Annex 11 which provides a more detailed context analysis.

Between 2015 and 2018, CBPFs have grown, both in terms of the number of donors and in the volume of contributions, throughout the evaluation period, increasing in size by 64 per cent (see Figure 3 below). In 2018, the funds received a total of $950 million from 34 donors.

Figure 3: Total donor paid pledges to CBPFs 2015-2018

41. In 2018, there were 18 CBPFs; the Colombia Humanitarian Fund closed in late 2018 and the Ukraine Humanitarian Fund was launched in February 2019. An overview of the context of each CBPF and country-level trends are outlined in Table 3. The countries are grouped by geographical region, and then alphabetically.

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[20] Please note that the table is based on the analysis undertaken for the case study selection but has been revised to include 2018 data.
### Table 3: Analysis of CBPFs by country, 2015-2018[^21][^22]

<table>
<thead>
<tr>
<th>CBPF (by region)</th>
<th>Managed/ administered by</th>
<th>Year Established</th>
<th>Funding received 2015-18 ($M)</th>
<th>Fund Trend 2015-18</th>
<th>CERF Funding 2015-18 ($M)</th>
<th>2018 CBPF as % of total HRP funding</th>
<th>2018 % of CBPF funds to NNGOs</th>
<th>2018 affected people reached (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>OCHA</td>
<td>2014</td>
<td>184.7</td>
<td>↓</td>
<td>45.5</td>
<td>9.9</td>
<td>15</td>
<td>2.80</td>
</tr>
<tr>
<td>Myanmar</td>
<td>OCHA</td>
<td>2007</td>
<td>33.6</td>
<td>↑</td>
<td>33.1</td>
<td>9.9</td>
<td>30</td>
<td>0.56</td>
</tr>
<tr>
<td>Pakistan</td>
<td>OCHA</td>
<td>2010</td>
<td>26.8</td>
<td>↑</td>
<td>19.0</td>
<td>No HRP</td>
<td>70</td>
<td>0.31</td>
</tr>
<tr>
<td>Iraq</td>
<td>OCHA</td>
<td>2015</td>
<td>302.2</td>
<td>↑</td>
<td>55.8</td>
<td>10.4</td>
<td>9</td>
<td>8.30</td>
</tr>
<tr>
<td>Jordan</td>
<td>OCHA</td>
<td>2014</td>
<td>43.8</td>
<td>↓</td>
<td>18.4</td>
<td>3.55</td>
<td>26</td>
<td>0.24</td>
</tr>
<tr>
<td>Lebanon</td>
<td>OCHA</td>
<td>2014</td>
<td>55.2</td>
<td>↓</td>
<td>19.1</td>
<td>3.55</td>
<td>37</td>
<td>0.07</td>
</tr>
<tr>
<td>oPt</td>
<td>OCHA</td>
<td>2007</td>
<td>59.3</td>
<td>↑</td>
<td>20.5</td>
<td>12.78</td>
<td>27</td>
<td>3.12</td>
</tr>
<tr>
<td>Syria</td>
<td>OCHA</td>
<td>2014</td>
<td>148.1</td>
<td>↓</td>
<td>29.9</td>
<td>3.55</td>
<td>7</td>
<td>1.87</td>
</tr>
<tr>
<td>Turkey</td>
<td>OCHA</td>
<td>2014</td>
<td>295.23</td>
<td>↑</td>
<td>9.0</td>
<td>3.55</td>
<td>51</td>
<td>5.04</td>
</tr>
<tr>
<td>Yemen</td>
<td>OCHA</td>
<td>2010</td>
<td>548.9</td>
<td>↑</td>
<td>134.7</td>
<td>8.34</td>
<td>26</td>
<td>8.48</td>
</tr>
<tr>
<td>CAR</td>
<td>UNDP/MPTFO</td>
<td>2007</td>
<td>119.7</td>
<td>↓</td>
<td>49.5</td>
<td>10.15</td>
<td>6</td>
<td>2.22</td>
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<tr>
<td>DRC</td>
<td>UNDP/MPTFO</td>
<td>2006</td>
<td>246.4</td>
<td>↑</td>
<td>116.3</td>
<td>11.71</td>
<td>37</td>
<td>3.59</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>OCHA</td>
<td>2006</td>
<td>277.0</td>
<td>↑</td>
<td>106.3</td>
<td>11.6</td>
<td>3</td>
<td>9.48</td>
</tr>
<tr>
<td>Nigeria</td>
<td>OCHA</td>
<td>2017</td>
<td>71.8</td>
<td>New</td>
<td>72.1</td>
<td>3.89</td>
<td>8</td>
<td>8.86</td>
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<tr>
<td>Somalia</td>
<td>OCHA/MPTFO</td>
<td>2004</td>
<td>168.0</td>
<td>↑</td>
<td>88.4</td>
<td>5.93</td>
<td>47</td>
<td>2.02</td>
</tr>
<tr>
<td>South Sudan</td>
<td>UNDP/MPTFO</td>
<td>2006</td>
<td>324.7</td>
<td>↓</td>
<td>49.8</td>
<td>7.37</td>
<td>38</td>
<td>5.91</td>
</tr>
<tr>
<td>Sudan</td>
<td>UNDP/MPTFO</td>
<td>2006</td>
<td>175.0</td>
<td>↓</td>
<td>98.5</td>
<td>7.33</td>
<td>7</td>
<td>3.37</td>
</tr>
</tbody>
</table>

[^21]: Data obtained from GMS. Data downloaded 5th November 2019.
[^22]: The 2018 percentage of HRP actual funding for the countries of Jordan, Lebanon, Syria and Turkey are given as one figure, in response to the overall response to the Syrian conflict (i.e. the Syria HRP and regional refugee and resilience plan).
[^23]: This refers to direct funding to NNGOs and does not include funding received as implementing partners of international organizations.
During the evaluation period, Yemen had the largest fund, receiving a total of $549 million. South Sudan was the second largest CBPF in terms of funding. Figure 4 below shows the funding that individual CBPFs received between 2015 and 2018.

Figure 4: Total contributions to each CBPF 2015 – 2018[24]

3. Inputs: Is the management of the fund fit for purpose and does it operate efficiently?

This section of the report focuses on the inputs to the fund, which include financial contributions, risk management and the capacity of the humanitarian system to manage the fund and deliver projects.

3.1. Resource mobilization

3.1.1. Donor contributions

43. The period under evaluation has witnessed a significant growth in the CBPFs from total paid pledges of $577.9m in 2015 to $950.2m in 2018\(^{[25]}\). This rapid increase has come at a time when global humanitarian need has also expanded (as outlined in section 2.3.1), though CBPFs have grown much faster than global contributions to Appeals and Humanitarian Response Plans.\(^{[24]}\)

44. Over the same period, while the total number of countries with CBPFs has remained the same (18), a second trend has been a growth in the total number of donors contributing to CBPFs, which has increased steadily from 19 in 2015 to 34 in 2018 (see Figure 5).

Figure 5: Number of CBPF donors by contribution size\(^{[27]}\)  Figure 6: Total CBPF funding by contribution size\(^{[28]}\)

45. The case studies revealed a broadening out of mid-level donors with moderate increases in the donors contributing between $11m and $100m. While this accounted for 35 per cent of the total CBPF contributions in 2015, it had increased to 52 per cent of total contributions by 2018 (Figure 6). This trend, of a greater diversity of donors accounting for a larger proportion of the funds, was highlighted in the Iraq, Somalia and South Sudan case studies.

46. Despite a diversification of donors and greater burden sharing, since 2016, Belgium, Netherlands, Germany, Sweden and the UK have remained as the five largest donors (albeit with changes in their relative positions in the top five). Over the period under evaluation, they accounted for 74 per cent of total CBPF contributions. From the group, DFID has been the single largest donor, accounting for 32 per cent of total contributions between 2015 and 2018. While each of these donors plays an essential role for the CBPFs, they also present a risk as the funds can become vulnerable to

\(^{[25]}\) CBPF Business Intelligence Portal, September 2019.
\(^{[26]}\) OCHA’s Financial Tracking Service shows that while CBPFs contributions have increased by 64% between 2015 and 2018, funding in support of Appeals and Response Plans has increased by 39% from $10.8 billion to $15 billion.
\(^{[27]}\) CBPF Business Intelligence Portal, September 2019
\(^{[28]}\) Ibid.
significant shifts in a single donor’s funding. This was the case in South Sudan in 2016 and Iraq in 2017 when DFID significantly reduced its contributions to the respective CBPFs.

47. Despite the continuing reliance of the CBPFs on a modest number of donors, the trends do provide cause for optimism, as they show a considerable increase over time in the number of small donors (contributing up to $10 million). This number has more than doubled over the evaluation period from nine in 2015 to 20 in 2018. While, in absolute terms, the contribution these donors make to the fund is comparatively small, they do represent important potential.

Figure 7: Comparison of contributions to the CBPFs, 2015-2018

48. Evaluation participants identified a number of challenges linked to the engagement of new donors, particularly non-OECD-DAC donors. Interviews with HFUs and donors suggested that non-OECD-DAC donors tended to find pooled funds quite complex and requiring significant time and engagement. Also, the funds offer limited profile to individual donors, which was a constraint for non-OECD-DAC donors who might wish to gain visibility from their contributions. At least one of the five case study CBPFs was longer pursuing fundraising from non-OECD-DAC donors for this reason. However, interviewees in many of the case study countries expressed similar views. The trends in OECD-DAC and non-OECD-DAC donors are highlighted in Figure 7.

3.1.2. Resource mobilization strategies

49. Interviews highlighted three main reasons for donor support for CBPFs. One was the role they play in strengthening the humanitarian system, including cluster coordination and the HC’s leadership role. The second was the ability of CBPFs to contribute to meeting donor Grand Bargain (GB) commitments on reducing earmarking and funding local and national NGOs (NNGOs). Despite GB commitments, the majority of donors face legal constraints with funding NNGOs directly and this has been one of the factors in ECHO’s recent decision to contribute to the South Sudan and Ukraine CBPFs, for example. Finally, the CBPFs are a convenient mechanism for donors with a limited field presence and administrative resources to follow up on their funding. For these donors, the funds’ prioritization and allocation processes and the risk management framework provide important assurance that their contributions are both targeted and well-managed.

Good practice: CBPF have been successful in offering donors a means of meeting their Grand Bargain commitments to reducing earmarking and to increase their funding to local and national NGOs.

[29] While it cannot be considered a trend as such, it is important to note that there are also a small number of new donors which value the lack of profile that they receive from the fund. This is the case for countries where there is limited public support for international assistance.
[31] Ibid
[32] For purposes of consistency, this report refers to local and national NGOs as NNGOs.
[33] Although ECHO made the decision in June 2019, as of November, it had not made a contribution because of ongoing discussions of details.
50. While there has been an increase in the size of many of the CBPFs, the evaluation encountered few clear resource mobilization strategies (Somalia was the exception). OCHA’s policy is that country office resource mobilization strategies should include specific actions for the CBPF to avoid duplication of efforts and competition for funding from the same donors. However, there was little evidence of this being done systematically. This was despite the Secretary-General’s ambitious target that 15 per cent of HRP funding in a country with a CBPF should be channeled through this mechanism. In several cases, donor engagement was part of CBPF communications strategies with fundraising included in resource mobilization strategies for the OCHA office. Interviews also revealed that fund managers or the HC engaged donors for purposes of fundraising at the country level and, at headquarters level, OCHA’s Donor Relations Section provided support. The challenge with having a multiplicity of actors engaged in fundraising is that there is a risk that strategies lack coherence. On several occasions, donor representatives spoke of the potential opportunities they had to engage their peers or to advocate on behalf of the fund, but they lacked clarity about key targets or tactics.

**Box 1: The Nigeria Humanitarian Fund (NHF) experience with mobilizing resources from the private sector**

CBPFs have not raised funds from the private sector before so the Nigeria Humanitarian Fund (NHF) adopted a new approach to broaden its funding base. It launched the NHF Private Sector Initiative in November 2018. This was the first time in UN history that companies joined forces with government donors in a pooled fund to tackle a humanitarian crisis. Interviews revealed that private sector leaders had made a pledge to match-fund the NHF (approximately $80m). However, no funding has been raised as yet and modalities to receive funding from the private sector are still being negotiated. This highlights the need for a corporate approach within OCHA to establish a framework and modalities for private sector fundraising, if it seeks to increase funding sources for CBPFs.

51. At a global level, there is an aspiration to grow the CBPFs to account for 15 per cent of HRP funding. This was outlined during the WHS and is reflected in the CBPF Common Performance Framework (CPF). The case studies included two funds that achieved this target for one year but the small sample makes it difficult to draw any conclusions about the specific benefits that this offered to the response. While interviews revealed broad support for the ambition, they also highlighted the lack of a clear vision and tactics for how and why to do this. The evaluation findings suggest that the CBPFs can offer significant advantages over other funding modalities, but it would be beneficial for OCHA (including the Donor Relations Section) to articulate these clearly in order to garner collective support.

**Challenge:** CBPF fundraising lacks coherence and there is considerable scope for OCHA to more clearly outline a strategy to achieve its target of CBPFs to account for 15 per cent of HRP funding. This would need to include reviewing how much additional funding it can generate from existing donors and how to make the funds attractive to other potential contributors, including by harnessing the resources of AB members. While the evaluation found a level of support for the ambition, there was also a lack of clarity about the implications it would have for OCHA’s management and administration of the fund at headquarters and country level, as well as for the broader humanitarian system.

52. Funding through the CBPFs on this scale would also present challenges to both the capacity of HFUs at country-level and OCHA headquarters to manage and administer the funds. For the 17 CBPFs in operation at the end of 2018, 15% of HRP funding would amount to a total CBPF fund volume of 2.1 billion, which is double the size of the current funding. At an individual fund-level, using Yemen as an example, at $208.7 million, the Yemen Humanitarian Fund (YHF) was by far the largest CBPF in 2018. If it had channeled 15 per cent of HRP funding, it would have constituted a

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[35] In 2016, the IHF accounted for 13.4% of HRP funding and in 2016, the AHF accounted for 21% of HRP funding. It is noteworthy that in both of these instances, over 40% of humanitarian funding was outside of the Plan.
[36] It is noteworthy that in both of these cases, a large proportion of humanitarian funding was outside the HRPs.
[37] This is 15 per cent of the total HRPs for 16 CBPFs which takes into account the closure of Colombia and the absence of an HRP for Pakistan. Donor contributions to the Syria Humanitarian Response Plan and Syria Regional Refugee and Resilience Plan have been used to calculate the 15 per cent share for CBPFs in Lebanon, Jordan, Syria and Turkey. HRP data was obtained from OCHA FTS, accessed on 5th November 2019.
A fund of $373 million, which is almost 80 per cent larger than the current size of the fund. This would have required significant additional management capacity, both at country level to provide adequate allocation management and oversight, and at headquarters level to process additional grant payments and provide support. A second factor that needs to be considered is that, given that there is currently limited scope for humanitarian funding to increase in absolute terms, an increase in funding to the CBPFs on this scale implies considerably less funding to other parts of the humanitarian system, particularly since CBPFs have increased funding to NGOs at the expense of UN agencies. This is likely to have consequences for how other humanitarian agencies perceive the funds, potentially increasing competition for funding.

**Lessons:**

The Yemen Humanitarian Fund is larger than any previous CBPF by a significant margin, despite accounting for only 8.4 per cent of Yemen’s HRP funding. It offers important lessons about the operational realities of managing funds of the order of magnitude anticipated by the 15 per cent target.

53. An issue that attracted considerable attention from all the case study countries was the timing of donor contributions; the Iraq case study noted the significant proportion of the IHF’s funds that were received in the second half and final quarter of the year. This was the case for each of the years under evaluation with 43 per cent of contributions made in the last quarter of the year in 2016, 55 per cent in 2017, and 38 per cent in 2018. Early and predictable contributions are crucial as they permit adequate time to prioritize funds strategically and to use them to complement other funding. However, the timing of contributions is a complex issue and this evaluation also recognizes that the willingness of CBPFs to receive funding throughout the year is also beneficial. This is because the funds receive end of year underspends from donors and these contributions can offer a degree of assurance of a Standard Allocation (SA) early in the following year in support of the HRP.

### 3.1.3. Multi-year contributions

54. In the Grand Bargain, humanitarian donors made commitments to shift from annual to multi-year funding. This has significant potential to decrease operational costs in protracted crises, improve collaboration between actors, and provide for a more strategic response that can adapt to evolving contexts. This has been a challenging area for CBPFs, both because of the slow pace at which donors are changing their funding practices, but also due to the nature of the funds, which, by definition, focus on meeting humanitarian needs in support of HRP objectives, the majority of which continue to be annualized planning documents (see section 4.1.1). While donors make multi-year commitments, they still make their contributions annually. The timing of these subsequent payments is not always clear in advance. CBPFs cannot allocate funding until it is actually received so, unless the HFUs know when to expect the payments, they do not have greater predictability. The oPt case study provides a good example of this challenge. In theory, multi-year contributions to CBPFs should also help the funds to provide longer-term project funding and greater predictability to partners. This issue is discussed further in section 4.1.2.

55. At a global level, OCHA figures show that multi-year funding to CBPFs has remained static at 27 per cent over the last two years and decreased from 34 per cent in 2016. The reduction in percentage terms hides a modest increase in absolute funding from $241.8 million in 2016 to $255.2 million in 2018. Between 2016 and 2018, just three donors provided 97.5 per cent of multi-year funding to CBPFs: Belgium, Sweden and the UK (the UK accounted for 63.6 per cent of the total). There is also significant variation in the amount of multi-year funding that individual CBPFs receive, with Syria and Yemen accounting for 53 per cent of the total multi-year funding received between 2016 and 2018 (see Figure 8).

**Good practice:** In light of the volatility in the timing of donor contributions, multi-year commitments could assist the HC and the HFU to plan allocations better as long as they know when to expect the contributions. They also provide a degree of assurance that HFU cost plans can be funded across years. Therefore, it would be helpful if more donors followed the good practice of providing multi-year funding.

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[38] Data obtained from the YHF Annual Report, 2018 and OCHA’s Financial Tracking Service.


[41] Data obtained from the Donor Relations Section and MPTFO, May 2019.
3.2. Risk management

56. At global level, the 2017 Operational Handbook[43] lays the foundations for risk management. At the fund level, the aim is to provide a set of tools to support decision-making processes that include risk identification, risk analysis and the development of mitigation strategies to manage residual risks. Partner risk management is concerned with tailoring grant management procedures according to their capacity and performance. The operational modalities determine the control mechanisms that are applied according to the partner’s risk level, including funding tranches, reporting, monitoring, and maximum budget size.

57. At a fund level, risk management routinely followed the procedures outlined in the Operational Handbook. In all of the case studies, these were strengthened as country guidelines were brought into closer alignment with the most recent Operational Handbook. During the period under evaluation, each case study CBPF had revised its guidelines. Different factors influenced the pace of these revisions, ranging from HFU capacity (for example, in Iraq) to the need to update contact details (as in oPt). The case study visits confirmed that each of the CBPFs had developed a Risk Management Framework that was being regularly updated (usually annually) and which identified key risks that could prevent the CBPF from attaining its objectives and/or lead to reputational risks.

3.2.1. Capacity assessment and due diligence

58. At the partner level, each CBPF is required to assess the capacity of every NGO implementing partner that seeks funding to determine eligibility. Eligible NGOs are categorized according to a specific risk rating which determines the minimum standard of operational modalities applicable to the partner. Although most OCHA-managed CBPFs choose to undertake capacity assessments in-house, there were a few (such as Somalia) that chose to hire third parties, as did UNDP (for example, in South Sudan). Capacity, cost and timeliness were important considerations that drove decision-making. The Somalia Humanitarian Fund’s (SHF) approach of using a third-party contractor is broadly credited with addressing the prevalence of briefcase NGOs in a context where security makes it very difficult for OCHA to undertake capacity assessments directly. Unlike in South Sudan, the Somalia third-party capacity assessment included a rigorous, field-based assessment even though it came at significant cost. In Afghanistan, the HFU took the decision to shift from contracting out due diligence and capacity assessments to undertaking them in-house. This resulted in significantly shorter processes (reportedly with a similar level of rigor) at far lower cost. The evaluation found that these decisions were necessarily context-specific and appeared to be sound.

[42] Ibid.
Lessons: In several countries, feedback from donors and NNGOs revealed that CBPF capacity assessments were being used as a benchmark, or a prerequisite for other donors to consider entering into funding agreements with NNGO partners. While this indicates a reassuringly high level of confidence in these assessments, it also highlights the importance of HFUs maintaining the rigor of these processes.

59. The dynamic nature of CBPF partner risk ratings is noteworthy because it means that capacity assessment is not a one-off procedure but draws on a broader analysis of partner performance throughout project implementation to give a partner Performance Index (PI). The ability of partners to graduate through the three risk levels received very positive feedback in instances where partners (and particularly NNGOs) had moved from high risk to medium or low risk which was the case in a number of the case study countries.

60. There is significant demand from NNGOs for capacity assessments, prompted by the success that many have had in securing CBPF funding. These demands present the CBPFs with a dilemma; the GB commitment to strengthen partnership with NNGOs is a cross-cutting priority but CBPFs are also expected to fund the partners that are best placed to respond to humanitarian needs. This suggests an approach to eligibility that seeks to maintain an adequate number of partners for the CBPFs to achieve geographic and sectoral coverage (partnership as a means to an end), rather than an approach that seeks to have as many partners as possible (partnership as an end in itself). The issue of localization and funding partners best placed to deliver assistance is discussed further in section 4.3.

3.2.2. Performance management of partners

61. Partner risk rating determines the implementation and frequency of the ‘operational modalities’ of field monitoring, financial spot-checks and reporting, drawing on a global set of minimum standards that are outlined in the Operational Handbook. HFUs routinely implemented these, developing a monitoring plan for each allocation that is informed by partner risk rating, project activities and location.

62. Technical monitoring was an issue about which interviewees voiced some concern. The basis for OCHA’s approach is that ‘partners are ultimately responsible for having a monitoring system in place’ and HFUs undertake verification. However, they do not, and frequently cannot, routinely assess the technical quality of program implementation, which is a weakness. Beyond ensuring that monitoring is undertaken in ‘close coordination’[44] with the clusters’ own monitoring activities, clusters are not required to participate in monitoring. This was reflected in findings across the case studies; individual clusters adopted one of three positions with regard to monitoring CBPF projects:

- Monitoring was outside the scope of the cluster’s responsibilities and so was not undertaken.
- Monitoring was within the scope of the cluster’s responsibilities but a lack of capacity limited their ability to support HFU monitoring.
- Monitoring was within the scope of the cluster’s responsibilities, was prioritized and joint missions were undertaken in coordination with the HFU.

63. There was very little consistency within or across countries and decision-making relied on the position of the cluster coordinators, the priority that the coordinator afforded the CBPF, and the resources that they had at their disposal. In some instances, interviews revealed that third-party monitors included some technical experts who went some way to filling this gap. In a couple of isolated cases, the CBPF funded cluster-based monitoring positions (e.g. Central African Republic), but the trend during the period under evaluation has been to discontinue this practice (e.g. Sudan and South Sudan). In South Sudan, this was because the cluster-based monitors were drawn into routine cluster work, with less time to monitor CBPF-funded projects. While this evaluation recognizes the capacity limitations that clusters face in many contexts, the lack of consistency in their support for CBPF monitoring is a notable gap. This is all the more concerning as the funds engage with diverse partners that have variable levels of internal technical capacity.

64. HFUs communicate feedback from monitoring, spot-checks, reports and audits to partners via GMS, which represents good practice. It ensures transparency and also enables the HFU to share and agree follow-up actions or sanctions with the partner. A review of summary comments on GMS from monitoring rounds for several of the case study countries highlighted their value in raising issues of concern and outlining partner actions and proposed changes to risk ratings as a consequence. Since issues identified by the monitoring modalities have a bearing on the partner’s risk rating, this offers a level of transparency that partners appreciated. Current practice is for partners to be verbally informed of any changes to their risk ratings.

65. During the period under evaluation, timely delivery of audits has been problematic, albeit due to a combination of factors. The UN’s procurement procedures resulted in a protracted process of securing a Long-Term Agreement (LTA) for audit services for the CBPFs. While arrangements were put in place to extend existing audit contracts during this period, delays in recruiting finance staff at fund-level and in authorizing the extensions at headquarters-level resulted in gaps in service provision that has adversely affected the pace of partner audits in some of the CBPFs and posed a challenge to OCHA’s management of risk. It has also caused major challenges for NGO partners, particularly smaller/newer ones, affecting their ability to secure future funding. Since the LTA has been awarded, HFUs have made efforts to work with the audit companies to address the backlog, which in several instances have revealed incidents of fraud and mismanagement. The interregnum in conducting audits has meant that investigations into allegations were delayed and consequently, HFUs had not been able to take timely action to suspend partners or launch forensic investigations. Figure 9 provides a snapshot of compliance against audits and project monitoring in 2018.

Figure 9: Progress against project monitoring and audits for all CBPFs in 2018[45]

66. In 2018, the Secretary-General’s reforms delegated authority to UN entities in areas such as procurement, human resources and finance. Those that could demonstrate adequate capacity, such as OCHA, were given a delegation of authority to undertake procurement up to the value of $1 million. Having learned a number of lessons from the process of procuring the audit LTA, there is now greater confidence within the CBPF-Section that OCHA can manage the procurement of audit services much more quickly and effectively for the four CBPFs where it is taking on NGO grant management responsibilities as well as new funds, such as Ukraine.

3.2.3. Management and reporting of compliance issues

67. During the period under evaluation, OCHA has significantly strengthened CBPF risk management policies, practice and communication. Effective risk management does not eliminate fraud and mismanagement but means that OCHA has become better at identifying, investigating and managing this in the complex contexts in which the CBPFs operate. While there has been an increase in the number of compliance issues reported across the CBPFs between 2015 and 2018, this evaluation considers this to be a measure of the effectiveness of CBPF risk management approaches which has resulted in an increase in the identification (rather than incidence) of compliance issues. A key informant used the

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phrase ‘aggressive transparency’ to describe the approach adopted by the SHF and this could be applied equally across the CBPFs. As a consequence of the improvements made, interviews elicited very positive feedback on CBPF risk management, particularly from donors.

68. The case studies revealed a diverse set of experiences of compliance management across the case study countries, which offer cause both for optimism and caution (see Box 2 below). Above all else, they underline the importance of OCHA continuing to prioritize this aspect of its work.

Box 2: Experiences of addressing fraud and mismanagement in the Somalia, Iraq and South Sudan CBPFs

**Findings from the Somalia case study:** The context of delivering humanitarian assistance in Somalia is challenging given the extreme poverty that persists across the country and the ongoing conflict and insecurity, which limits access and necessitates the use of remote programming for most international agencies. After cases of fraud were detected in 2012, the SHF placed a significant focus on strengthening risk management. As a consequence, the framework that now exists is comprehensive and is considered by many donors as a yardstick for NNGO funding. While the use of an audit firm for capacity assessments, financial spot-checks, and audits incurs considerable cost, the access that it has across the country has been essential in ensuring rigor. After a reduction in donor funding following the 2012 fraud cases, the SHF is now well-funded and played an essential role in responding to humanitarian crises including the 2017 drought.

**Findings from the Iraq case study:** The launch of the fund in 2015 with limited resources, at the same time as a rapid scale-up in the humanitarian response has resulted in a legacy of compliance issues. An inadequately resourced HFU in the fund’s early stages and the failure to conduct audits in a timely way were the most significant challenges for the IHF. The former issue contributed to a lack of oversight, while the latter has uncovered allegations of presumed fraud, which, with the passing of time, are now complex to investigate and substantiate. The protracted nature of the audit processes has also resulted in large numbers of NNGOs suspended from the IHF, which has had consequences for their contracts with other UN agencies and NGOs. A number of the compliance issues that have been highlighted by the audits may have been addressed by a greater focus on due diligence, capacity assessment and training for NNGOs prior to allocating funding.

69. The Oversight, Compliance and Fraud Management Unit (OCFMU) in the CBPF-Section in New York developed Standard Operating Procedures (SOPs) to provide guidance on suspected fraud and misuse of funds by partners. According to these, OCFMU is responsible for developing ToRs and managing forensic reviews because of their complexity and potential conflict of interests. However, this does not reflect the current reality of a large number of compliance cases and an OCFMU with only two staff members to support 18 CBPFs (since the unit has a P3 post vacant) which has led to responsibilities being delegated to the field (e.g. Iraq). The OCFMU plans to update the SOPs based on a new GMS fraud module in 2020. This will formalize a role for HFUs in forensic audit processes.

70. OCHA is also taking steps at headquarters level to strengthen oversight and compliance capacity for CBPFs in coordination with the UN Office of Internal Oversight Services (OIOS). It has added one extra P3 post within the OCFMU since it needs additional capacity to support the transfer of NGO grant management responsibilities from UNDP and also to support the new fund in Ukraine. In addition, there is a commitment to creating two P4 positions located in the OIOS, with at least one having forensic audit experience. OCHA was in the process of discussing the details with donors. While these developments are positive, overall management of forensic audits should continue to be centralized in order to ensure oversight and to address the risk of conflicts of interest.

**Challenge:** A number of stakeholders raised significant concerns about the lack of capacity in the OCMFU at headquarters level. While OCHA is taking steps to address this, it is important that these steps result in a Unit that can deliver the support that is required currently, in addition to having adequate capacity to accommodate the additional workload anticipated by the transition of the MA role and ambitions to further grow the funds.

71. During interviews, donors routinely compared OCHA’s approach to risk management and compliance favorably with that of other UN agencies. While a comparative analysis of agency approaches to risk management is outside the scope of the evaluation, it is noteworthy that OCHA’s robust approach has, on a number of occasions, caused challenges with other UN agencies that have been engaged in partnerships with NGOs suspected of fraud. The case studies highlight the need for greater coherence in risk management practices and stronger consensus across the UN on how to act in the event of concerns or red flags.

**Good practice:** OCHA’s risk management practices were compared favorably with those of other agencies and were generally found to be robust. While this is positive, there are challenges posed by the lack of consistency and coherence among the humanitarian community in risk management and reporting. This includes variable levels of management and reporting. While these issues go beyond the scope of this evaluation, they were a feature in many of the case studies as a consequence of the rigorous approach taken by CBPFs to identifying, investigating and communicating compliance issues.

### 3.3. Implications of the global standardization of CBPFs

#### 3.3.1. Added value of global standardization

72. OCHA has sought to standardize CBPFs through a range of tools and guidance. As outlined in section 2.1, in 2015, it introduced a Policy Instruction and a global operational handbook that provides detailed guidance for HCs and HFUs on the governance and management of CBPFs. This is an important source of guidance to help ensure that CBPFs operate according to similar global standards although individual CBPFs adapt the global guidance to the country context and produce their own operational manuals. Global guidance and standardization have strengthened how funds operate at country level. In Iraq, there were concerns about the fund's governance and funding allocation processes in the early years of the fund's operation. As a result, stakeholders welcomed the HFU's efforts to bring the fund into line with global policy, which also strengthened confidence in the fund. This resulted in greater emphasis on strengthening the evidence base for the fund's allocations, addressing risk management and compliance issues, clarifying the roles and responsibilities of the AB, and broadening out consultation and decision-making.

73. In 2017, the CBPF-Section developed the CPF to track performance across all CBPFs in a consistent format.[47] One of the aims was to enable donors to compare performance across the funds. The CPF is based on the five principles of CBPFs outlined in the global guidance: inclusiveness, flexibility, timeliness, efficiency and accountability and risk management. The CPF has a number of management and outcome indicators and all CBPFs report against these, as agreed with the AB at country level. This standardization enabled the CBPF-Section to meet donor requests for a synthesis report on fund performance in 2018. They have also improved the clarity of results reporting which has made the CBPFs more transparent.

74. One area that interviewees identified as a gap in the global guidance is that of setting up and closing CBPFs. While the Operational Handbook outlines the steps needed to open a fund, experiences from both Iraq and Nigeria highlight the need for a minimum start-up package with templates and Standard Operating Procedures (SOPs). Without these, OCHA staff members setting up the fund have to use their own knowledge and resources and there is a risk of re-inventing the wheel or putting in place procedures that do not align with global guidance.

75. Although the Operational Handbook outlines criteria and steps for the closure of a fund, CBPFs tend to close when funding runs out. In some cases, funds continue to operate for some time with limited funding. For example, the Pakistan fund has been operating due to Sida and DFID contributions of $5-7 million over the evaluation period, with Canada also contributing in 2018 and 2019. The Lebanon fund faced an existential crisis when it had received only $2 million in 2017 but after a decision was made by the HC about the continued need for the fund, the CBPF was able to raise a further $9.3 million in the last quarter of 2017 to allow it to continue operating. When a fund eventually stops receiving contributions or there is a decision taken to close it, there is a need for a toolkit that captures practical lessons learned from the closure of previous funds.

Challenge: The information on opening and closing CBPFs in the Operational Handbook needs to be complemented with practical tools, SOPs and templates to implement lessons learned and avoid reinventing the wheel.

76. As the funds have grown and fund management has become more complex, there is a growing demand for more systematic knowledge management systems and processes that enables HFUs to get more regular access to information. In response, in 2019, the CBPF-Section set up GMS modules for topics such as project revision processes, budgeting and costing questions, and the CPF.

3.3.2. Flexibility to adapt to local contexts

77. As noted in the previous section, each CBPF adapts the Operational Handbook for the country context. This enables them to be flexible on a broad range of issues from AB composition to processes for developing allocation strategies and making allocation decisions. This can be positive. For example, a couple of the small CBPFs (in oPt and Lebanon) allow all contributing donors to be members although not all attend AB meetings in practice. In both cases, this is done in the interests of resource mobilization but it also offers smaller donors the opportunity to engage with the HC at a strategic level. Importantly, the practice has not stifled the voices of other AB members (which was clear from the minutes of AB meetings in oPt, for example). In Ethiopia, the fund has a technical AB to review every project selected by the clusters, which is an addition to the decision-making processes outlined in the global guidance. All AB members are entitled to attend this technical working group though some tend to send technical staff. A number of interviewees felt that the process strengthened the quality of proposals.

78. Although CBPFs can adapt the global guidance, some interviewees questioned whether it is possible to have guidance that can apply to funds that range in size from $10-12 million a year, such as in Jordan and Lebanon, to the Yemen fund, which received $208.7 million in contributions in 2018 and made allocations of $80-90 million at a time. It is the view of the evaluation that there is sufficient flexibility within the guidance to accommodate both large and small funds, however, there would be value in documenting the challenges encountered in Yemen given the aspirations that exist to continue to grow the funds.

3.3.3. Added value of the GMS

79. Introduced as part of the efforts to standardize CBPFs, the GMS is a unique tool within the humanitarian system for the sheer range of functions that it performs (and is expected to perform). Developed and maintained with very limited resources, it has contributed significantly to the standardization of CBPFs, for example by ensuring that the funds follow standard proposal and reporting formats. It has also increased transparency and aided the workflow of CBPF allocations since partners can track their proposals online and the GMS can be used to send automated alerts when actions are required. Partners can also make project revisions, including no-cost extension requests, through the GMS. In addition, the GMS is an essential part of CBPF risk-management processes since it captures data on assurance actions and the CBPF-Section was in the process of adding a module on fraud case management. It enables HFUs and clusters to provide monitoring feedback to partners online. In some countries, such as DRC and Afghanistan, clusters have started using the GMS to share comments and feedback from the strategic and technical reviews. In others, such as South Sudan, the practice is well established. Despite the GMS’s critical role in the functioning of CBPFs, it is managed by a skeletal staff, which poses a significant risk to the smooth operation of the funds.

80. On the whole, recipients of CBPF funding tended to be positive about their experiences of using the GMS. Those new to the system were most likely to have difficulties with it. Therefore, in all the case study countries, the HFUs had invested time and effort in providing training on the use of GMS, particularly to NNGOs. There was general appreciation of the GMS’s grant management capability. Donors also praised the Business Intelligence (BI) platform for easy visualizations and for the detail that it offers them (enabling them to examine funding down to project level or by geographic locations or by cluster or by type of partner). It enables relatively easy comparisons across funds or across years within the same fund.

81. At a global-level, OCHA has been very responsive to feedback on the GMS, adapting and improving the tool to
meet new requirements. This has included adopting the Gender with Age Marker (GAM) and it now requires partners to provide data on the number of Persons with Disabilities (PwD) they have assisted, disaggregated by gender and age. This contributes to standardization and also enables the CBPF-Section to report consistently on cross-cutting issues. In addition, in response to NGO partner feedback, the CBPF-Section is working actively with the UN Partner Portal on sharing data on NGO due diligence, capacity assessments and risk management.\[48\] This should avoid NGOs having to enter information into two platforms.

82. Since OCHA is situated within the UN Secretariat, it has to use the Secretariat’s financial and accounting system, Umoja, for the financial cycle of CBPFs, including making payments to partners and receiving refunds. Umoja has no automatic link to the GMS so the CBPF-Section’s Finance Unit has to transfer data (such as the signed grant agreement that includes partner bank account details and notifications that OCHA has processed a payment) to and from Umoja manually. This entails a huge workload since, in 2018 alone, OCHA managed over 800 projects.\[49\] This workload will increase significantly when OCHA takes on responsibility for managing NGO grants from UNDP in CAR, DRC, South Sudan and Sudan.

**Challenge:** When OCHA takes on responsibility for managing NGO grants from UNDP in CAR, DRC, South Sudan and Sudan in January 2020, it is anticipated that the CBPF-Section’s Finance Unit will face a 50-60 per cent increase in its workload.

83. An additional challenge is the development by the UN Secretariat of a new system, Umoja Grantor, to provide the programmatic side of grant management within Umoja for UN entities within the Secretariat. OCHA had serious concerns that it would have to transition to Grantor and lose critical aspects of the GMS. However, the Secretariat has provided assurances that OCHA will continue to use the GMS in parallel with Grantor. Efforts are under way to create a data bridge between the two systems. This should help to reduce the CBPF-Section's workload.

### 3.3.4. Efficiency implications of different fund management structures

84. As described in section 2.1, due to the way in which some CBPFs evolved, there were three different fund management structures during the evaluation period. OCHA fully managed most funds but there were six countries where the MPTFO was responsible for receiving, administering and disbursing funds to UN agencies. In four of these (CAR, DRC, South Sudan and Sudan), UNDP administered grants to NGOs, focusing on financial oversight while OCHA undertook programmatic oversight. Figure 10 below summarizes the three management models.

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[48] For more information on the UN Partner Portal, see https://www.unpartnerportal.org/landing/

[49] Data obtained from https://gms.unocha.org/content/cbpf-overview. This figure does not include projects in the four countries where UNDP managed NGO grants and the MPTFO managed grants to UN agencies. It also takes account of the fact that the MPTFO managed grants to UN agencies in Afghanistan and Somalia.
From an efficiency perspective, since the three entities charge different percentages for program support costs (PSC), these vary across the three management models. Figure 11 below shows the total PSC as a percentage of contributions for each of the three management models. This shows that in model 1, funds that are fully OCHA-managed, have the lowest PSC. Model 2, where the MPTFO is the AA in six countries, has a marginally higher PSC. Model 3 funds, where the MPTFO is the AA and where UNDP was the MA, had the highest PSC but these funds will change into model 2 funds as of 2020.

Figure 11: Volume of funding administered by OCHA, MPTFO and UNDP from 2015-2018

[51] This would be different in the event that UN agencies received greater than 50 per cent of CBPF funding, but this is not the case for any of the CBPFs.
[52] Data obtained from OCHA GMS downloaded 10th October 2019; data for contributions to Afghanistan, Somalia, CAR, DRC, Sudan and South Sudan administered by the MPTFO provided by the MPTFO.
[53] The Figure does not include the cost of HFUs at country level since these would be an additional direct cost across all three models. The 2018 CBPF Review reported total HFU management costs of $18.8 million across the 18 CBPFs. Please note that beneficiary data presented in the figures in this section should be treated with caution because it contains errors of inclusion (i.e. double counting).
86. The four model 3 countries where UNDP has been the MA, the MPTFO has been the AA and OCHA the fund manager had four components to their cost structure: (i) MPTFO/Administrative Agent fee, equivalent to 1 per cent of donor contributions (ii) UNDP/Managing Agent Program Support Cost (PSC), equivalent to 7 per cent over and above the amount allocated to NGOs (iii) UNDP/Managing Agent audit cost, equivalent to 1 per cent over and above the amount allocated to NGOs; and (iv) OCHA/HFU cost plan, which is presented to the AB on an annual basis. Since OCHA charges actual costs rather than a percentage, if it does not spend the full amount, it returns the unspent balance to the relevant fund.

3.3.5. Efficiency issues related to the MA function

87. As noted earlier, OCHA and UNDP have agreed that OCHA will take on full responsibility for NGO grant management from January 2020. In a joint plan of action agreed in August 2019, the two agencies agreed on areas of work required to ensure a smooth transition that maintains business continuity and strong accountability. NGO partners have raised concerns about a lack of communication on the process and any changes that they are likely to face. It would be helpful if the HFUs ensure regular dialogue with partners in the four affected countries.

88. Taking on the management of NGO grants will require an increase in HFU capacity and within the CBPF-Section in New York since OCHA will be processing an additional $250 million approximately (based on the CBPF-Section’s estimate). It is the view of this evaluation that this will ensure greater consistency in risk management and increase the overall efficiency of fund management. HFU costs at country level will increase slightly with the additional grant management responsibilities since each HFU is recruiting one P3 finance officer. The CBPF-Section requires additional human resources capacity at headquarters level as outlined earlier in this report.

89. There will be parallel costs as well for a short time because UNDP will need some months in 2020 to close projects. However, ultimately, there should be a streamlining of costs. It should be noted that donors in South Sudan, in particular, emphasized that strengthening risk management when both financial and programmatic oversight rest with OCHA was more important to them than potential costs savings.

3.3.6. Efficiency issues related to the AA function

90. In the four countries where the MPTFO has the AA function and UNDP had the MA function, interviewees at country level did not raise any concerns regarding the MPTFO’s role. However, the Somalia and Afghanistan case studies and interviewees at headquarters level identified some efficiency issues. For some donors, having the MPTFO as the AA meant that they had to process two separate contribution agreements for CBPFs rather than one and also undertake reporting on two partners rather than one, which increased their administrative burden without any substantive discussions on the funds. The same applied to a UN agency that had to use two different systems for uploading reports although it tended to use the GMS for information purposes. Since different parts of the donor agencies manage the relationships with OCHA and UNDP, this also complicates engagement, making it more difficult for them to engage on CBPF issues with a single voice.

91. From OCHA’s perspective, despite the MPTFO’s best efforts, the AA function results in a number of inefficiencies in grant management. Firstly, it has to make a Fund Transfer Request (FTR) to the MPTFO. Although the MPTFO has made a concerted effort to minimize the transfer time, this takes an average of three working days. This, added to the time required to transfer funds between the ATLAS and Umoja systems, means that it can take 10 working days from the time that funds are transferred by the MPTFO to when OCHA has cash available for disbursement. Secondly, while NGOs upload financial and narrative reports on their projects into the GMS, OCHA has to provide financial reporting on them in the MPTFO’s format for the ATLAS system. This applied only to Afghanistan and Somalia during the evaluation period but will be extended to the four countries where UNDP managed NGO grants as of 2020. This is burdensome
for OCHA for the reasons outlined in section 3.3.3. Thirdly, the process for reallocating funds reimbursed by project partners is complex since OCHA has to transfer the money to the MPTFO and then make an FTR to get it back. Finally, OCHA manages the allocation process prior to a grant agreement and also monitors and follows up on the projects at country level. Losing sight of the financial aspect of the process complicates the programmatic management process.

92. In South Sudan, OCHA requested UN agencies to provide financial reports at country level in order to be able to monitor projects effectively. This led to complaints from some UN agencies about the administrative burden. In Afghanistan, the HFU had to request updates from the MTPFO on transactions, reimbursements and deductions in order to have a clear idea of the fund’s balance. This was critical for remaining responsive to emergency needs and being transparent with donors at country level. This usually took two to four days, compared with receiving the information on the same day for funds that are fully OCHA-managed.

3.4. Capacity of the humanitarian system

93. This section focuses on the capacity of individuals and entities that have specific roles in the governance, management and allocation of CBPFs. Section 5.2 deals with issues related to the HC’s leadership role.

3.4.1. CBPF-Section and HFU

94. The OCHA partner survey, undertaken annually, includes a section on CBPFs and offers consolidated feedback on a range of issues linked to OCHA’s management of the funds (see Figure 16). The figures suggest a high level of satisfaction with OCHA’s overall management of the CBPFs and support to key stakeholders, although there has been a reduction in the level of satisfaction with time (of between 15 and 20 per cent across each of the four CBPF activities included in the partner survey and outlined in Figure 12). The 2018 survey has been revised so that it is consistent with the new OCHA strategy, and the results show a general increase in the level of satisfaction with OCHA’s support to the CBPFs, with 73 per cent of respondents agreeing with the statement ‘OCHA provides adequate support to stakeholders with regard to CBPFs’. HFUs generally provide a range of support to NGO partners, making themselves available to answer questions, allowing NGOs to use computing facilities and providing guidance on project proposal writing (Afghanistan, oPt and South Sudan were all good examples). This is in addition to the training that they provide on CBPF administrative procedures and the GMS. NNGO partners were particularly grateful for this support.

Figure 12: Detailed satisfaction ratings linked to CBPFs from OCHA’s annual survey

[56] OCHA’s Partner Survey is a tool to measure the organization’s progress towards the objectives in its 2014-2017 Strategic Plan, by assessing the perceptions of its partners in the field. It assesses OCHA’s organizational performance in a given country or regional context from the perspective of those partners who participated in the survey.
95. In the online survey conducted for this evaluation, 66 per cent of respondents felt that the management and capacity of HFUs was either ‘good’ or ‘excellent’ (see Annex 5). This positive assessment broadly echoed key informant feedback on the composition and capacity of HFUs in the five case studies.

96. Despite this positive assessment, a range of factors led to some of the case study HFUs having capacity weaknesses for significant periods of time. The most frequent reason was challenges in recruiting and retaining staff with the relevant skills, capacity and experience. In one case, the HFU operated with only minimal staffing, which included a six-month period with the fund manager double-hatting as the OCHA HoO/Officer in charge. This is reported to have compromised the Unit’s capacity to fully support fund management. From the second half of 2018, however, staffing increased and the HFU is now much better placed to fulfill its management responsibilities. Moreover, at the time of writing, the fund was recruiting six additional monitoring staff as well as a new international finance officer to further strengthen its capacity. Remote interviews highlighted similar capacity concerns in several other funds, linked either to the slow pace of recruitment or challenges in filling short-term gaps in staffing. One fund has not had a fund manager in place for 12 months at a time when the context has experienced an increase in humanitarian needs while another fund struggled to cover a three-month gap at fund manager level with someone with sufficient experience and capacity. A significant number of interviewees considered this to be the most significant threat to CBPF efficiency and effectiveness. The IHF offers a cautionary example (see Box 3 and Figure 13).

Box 3: Recruitment and scale-up challenges for the Iraq Humanitarian Fund

The IHF was launched in June 2015 and very quickly became the largest CBPF. In the early years of the fund, the team was insufficiently resourced to provide the management and oversight that was required in such a complex humanitarian environment. Although OCHA provided surge capacity (e.g. three finance officers were sent to support the technical and financial review phase of the 2016 second SA), this short-term support did little to address the longer-term gaps in the team and there were also concerns that surge staff were not familiar with the context. It took far too long to recognize the limited capacity of HFU, and when the gaps had been identified, it took too long to strengthen the team. As figure 18 shows, when the size of the fund and the number of projects was at its peak, the HFU only had three staff members. It was only as the fund diminished in size that the staffing increased and the HFU was able to start addressing compliance issues. The Iraq case study offers an important lesson about OCHA’s ability to adequately resource new or scaled-up CBPFs.
97. At headquarters level, the CBPF-Section’s capacity to grow has been restricted by OCHA’s policy of zero growth following the implementation of the New Operating Model in July 2018. Figure 19 below shows that, although total contributions to CBPFs almost doubled from 2014-2018, the cost of CBPF-Section staffing fell slightly. In terms of staff numbers, in 2019, the CBPF-Section had only one more full-time staff position (19 in total) compared with July 2015. However, in 2015, it had an additional eight temporary/Junior Professional Officer (JPO)/consultant positions. In 2019, it had only four JPO/consultant positions. Although HFUs manage CBPF allocations and partner relationships on a day-to-day basis and their staffing numbers have grown, the CBPF-Section processes financial transactions and provides critical support on risk management and operational issues. Therefore, some donors have questioned whether its capacity had aligned adequately with the growth in donor contributions. This has included querying the amount of PSC that the CBPFs generate for the UN Secretariat and how this is used. This concern is understandable since an under-staffed CBPF-Section poses a reputational risk for OCHA.

98. Figure 14 shows that, although CBPF-Section staff costs have reduced slightly, HFU costs increased between 2016-2018 before plateauing in 2019. The CPF includes a cost-efficiency indicator that assesses HFU costs as a percentage of total contributions to each CBPF. Section 3.3.4 discussed the cost-efficiency of different models of CBPF management. While there is an understandable need to monitor HFU costs, in-country and remote interviews made it clear that donors and ABs are willing to authorize funding to ensure that appropriate staffing, oversight and assurances are in place. This is because they recognize that strong management as well as robust monitoring and risk management processes are key to the success of a CBPF, particularly in complex and high-risk environments. Therefore, OCHA should prioritize having an effective team (i.e. one that is adequately resourced with the right quality and quantity of staff) over seeking to drive down costs. With this in mind, it is important that this indicator is used with care.

Lessons: In the early years of the IHF, HFU capacity was inadequate and, even after the gap had been identified it took too long to increase staff numbers to the required level. Being able to adequately resource new or scaled-up CBPFs is an important lesson that can be drawn from the case study.

[57] Data obtained from IHF HFU, June 2019.
[58] Efficient management – CBPF management is cost-efficient and context appropriate.
99. While the CBPF-Section had three vacant positions in 2015, this had increased to four in 2019 (see Figure 15 below. Positions shown in red were vacant as of October 2019). It has not had a head of section since April 2019. This has required the governance and partnerships team leader to become the officer-in-charge. Meanwhile, his position remains vacant even though his team manages critical relationships with external stakeholders, including the Pooled Fund Working Group and the OCHA-NGO dialogue platform. The team initially had no staff members but a staff member from the Fund Management Support Unit, who has experience in working with these stakeholders, has stepped in to fill the gap (working with the former team leader).

100. The examples of vacancies and staffing gaps at both field and headquarters levels highlight the challenges that CBPFs face with the recruitment and retention of talent. Summary data on timely recruitment provided by OCHA’s HR Section offers some context to these issues, indicating that between mid-May 2015 and end-June 2019, for a sample of 47 OCHA staff, it took an average of 202.2 days to fill a post compared with a target of 120 days. Interviewees provided evidence on the time taken to recruit staff and fill existing positions, both at field level and at headquarters.

101. In most cases, because of the limited pool of experienced staff, CBPFs provide surge support to each other. This is not ideal because already stretched HFUs are deploying staff members to other countries but it has been a very positive way to offer national staff with career development opportunities by providing experience of working in other countries. Given the growth of the CBPFs and the significant amounts of funding that they manage, this approach to filling staffing gaps is not a panacea. There was also some criticism because staff placed in senior positions had insufficient contextual or relational knowledge. These challenges were considered difficult to overcome through the use of HFU staff from elsewhere, particularly when gaps in senior staffing had to be filled at short notice.

[59] The data was provided by the HR Section and covers the period under evaluation. The 47 posts were across the whole of OCHA, rather than being specific to the CBPF-Section, data for which is not routinely disaggregated or analysed. Of the 47 posts, 28 were recruited within the 120-days target; the process for 18 others took over 180-days.
102. One way to fill staffing gaps in the field more quickly would be to expand the Associate Surge Pool (ASP) mechanism. Managed by the Surge Capacity Section in the Emergency Services Branch of OCHA Geneva, the mechanism deploys staff to fill critical gaps in existing office structures, when regular recruitment is delayed or not feasible, or to provide surge capacity at the onset of a crisis or when there is an increase in needs. It has helped to bring some fund managers into the CBPF talent pool. However, this could be expanded to recruit more specific skills, such as finance.

103. Another option would be to establish a small standby capacity of experienced staff members who can provide short-term surge support when there are critical gaps in an HFU. However, these are short-term solutions while HFUs and the CBPF-Section have longer-term staffing gaps. In this case, there may be potential for the CBPF-Section to work more closely with OCHA’s Operations and Advocacy Division, which supports OCHA country offices, to fill staffing shortages.

104. Retention of experienced fund managers and staff is also challenging since the highest level for a fund manager is P4. Once fund managers have been at this level for a few years (building up experience over a number of funds in some cases), they move out of CBPF-related positions in order to advance their careers. One way to retain more experienced fund managers would be to classify the fund manager position for the very large funds as a P5 position. Another option would be to have a small number of experienced fund managers or other highly skilled staff members as standby capacity.

3.4.2. OCHA Country Offices

105. The fund manager reports to the OCHA HoO or to the deputy HoO and, for this reason, the HoO/deputy HoO knowledge of pooled funding is a prerequisite for the smooth running of a CBPF. The relationship between a fund manager and OCHA manager can be complex due to the direct relationship that they both have with HCs and donors as a consequence of their respective roles but the evaluation found that there was generally a good understanding of duties.

106. The OCHA office and broader staff also provide important support to the HFU and as such a well-functioning office can make an important contribution to the success of the fund. With a single exception, OCHA offices across the case studies were found to be very engaged with their respective HFUs and played an important management, support and facilitation role. In addition to drawing on OCHA’s distinctive competence in information management and coordination, there was significant evidence that HoO also played an important problem-solving role and supported the HFU to address strategic and operational challenges.

[60] The ASP is a surge mechanism that allows for the deployment of staff from P3 to D1 levels from a pre-cleared pool of tested external individuals. They are deployed through an expedited Temporary Appointment contracting system. These individuals can deploy as Humanitarian Affairs Officers, Information Management Officers, Civil Military Coordination Officers, Pooled Fund Managers and Public Information Officers.
3.4.3. The Advisory Board

107. With the exception of oPt, the AB in each of the case studies had equal representation of UN, NGO (both national and international) and donor staff from across the humanitarian ecosystem albeit with the frequent addition of donors as observer members. This is line with global guidance and also evidenced by aggregate data from 2018 on the inclusiveness of ABs across all CBPFs (see Figure 16).[61] The emphasis on ensuring equal representation has been helpful in making ABs inclusive, something that the CBPFs now track through the CPF.

108. For several of the funds, positions on the AB were prized so highly that there was significant competition for seats. In all cases, the AB performed its stated function with the caveat that new AB members frequently took time to fully understand their role. This highlights the importance of managing rotation in such a way as to retain a pool of standing members to ensure continuity and active participation.

Figure 16: Aggregate composition of AB for all CBPFs, 2018

109. One of the benefits of an active AB is that members often have an appetite to engage more broadly on issues linked to the fund. For example, in the SHF, some AB members requested the fund to discuss its performance in promoting disability inclusion. In Afghanistan, the HFU promoted the concept of an AB retreat in order to discuss strategic management issues. While it is important that ABs achieve a balance between their involvement in strategic and operational management of the fund, there is certainly scope for them to play a greater role in determining the strategic direction of the CBPF and in assisting it to navigate the multiple demands that are placed on it (see section 5.2.2 for a more detailed discussion of the AB’s role in decision-making).

3.4.4. Clusters

110. The Inter-Cluster Coordination Group (ICCG) and individual clusters play a critical role in how CBPFs function. They play a strategic role in ensuring linkages between the fund, the HRP and cluster strategies. They also play an operational role, providing technical expertise, supporting allocation strategy development processes, and undertaking the strategic and technical review of projects. Cluster coordinators were routinely supportive of their engagement in these tasks, which provides an indication of how much they valued CBPFs. Feedback from the online survey was broadly positive on the issue of cluster capacity, with 25 per cent of respondents considering it was ‘excellent’ and 44 per cent considered it was ‘good’. Only 4 per cent of participants gave a negative response.

111. It became more problematic for clusters to fulfill their important role when cluster coordination did not function effectively or where individual clusters lacked capacity. In several of the case studies, interviews highlighted a concern that clusters tended to react individually rather than collectively in times of crisis. Given funding constraints, clusters were sometimes perceived as being competitive rather than collaborative, seeking to cover their own needs at the expense of other priority gaps. While this criticism may be valid, it is tempered by legitimate cluster concerns about the challenges they sometimes faced in being permitted to engage fully in allocation exercises or because of HC approaches that promoted competition over collaboration (cluster defenses were often cited as an example of this). These issues are discussed in more detail in section 4.1.2.

112. As outlined in section 3.2.2, one area where there was far less clarity about cluster responsibilities and far greater variability in cluster practice, often as a consequence of limited resources, was in monitoring program quality.

4. Activities and outputs: To what extent are CBPFs supporting partners to meet the most urgent humanitarian needs in a way that is timely and is consistent with Grand Bargain priorities?

This section of the report examines the fund’s performance in delivering key activities and outputs, including the identification of priority needs, selecting the best-placed partners, supporting the delivery of program quality, and responding to the needs of affected populations. It concludes with an overview of the outputs from CBPF projects.

4.1. Contextually relevant and in line with HRPs

4.1.1. Alignment with the HRP and strategic priorities

113. CBPFs are integral to the HRP and, between 2015 and 2018, they contributed between 7.5 and 11.8 per cent of total HRP funding (see Figure 5 in section 2.2). Responses to the online survey question on the extent to which CBPFs have contributed to prioritization of humanitarian responses received a particularly positive response, with 87 per cent of respondents selecting either 'significant contribution' or 'some positive contribution'. The responses were consistently positive across all stakeholder groups.

114. In each of the five case studies, the evaluation found that SAs were routinely aligned with one or more of the Strategic Objectives (SOs) of the HRP. The SA strategies generally had foundations in the HRP and required that projects must be in support of the HRP’s SOs. Until 2018, CBPF annual reports did not routinely provide details of the proportion of CBPF funding that was allocated to each SO, but the CPF has now made this mandatory and so it is the only year for which there is a consistent data set. While SOs differ between HRPs, across the five case studies, the majority of CBPF funding was directed towards the primary SO which tended to focus on the provision of life-saving assistance. It is noteworthy that SOs are so broad in nature that it would be difficult for projects not to fit (e.g. the primary SO for the Afghanistan 2018-2021 HRP is 'lives are saved in the areas of highest need').

115. Across the case studies, there was greater variability in the alignment of SAs with HRP projects. For example, in South Sudan, the SSHF only funds projects in the HRP.[62] The evaluation found this practice to be a matter of quite intense debate; on the one hand, the approach ensures that CBPFs strengthen the humanitarian architecture because they provide incentives for partners to participate in the HRP development process. However, as some cluster coordinators argue, needs always exceed the amount of funding that clusters can reasonably request in the HRP which means that some projects that are aligned with cluster (and HRP) priorities are excluded. There is also a broader concern that it can be challenging for NGOs to have their projects included in the HRP. In addition, in some contexts, there were concerns that an HRP with projects restricted to a specific cluster could make it more difficult to secure funding for multi-sector projects. The oPt case study provides a good example of the case for and against (see Box 4 below).

There were different views on whether the oPt HF should fund only projects in the HRP through its SAs. Cluster coordinators were strongly in favour of having this stipulation. One reason is that requiring projects to be in the HRP provides an incentive for partners, particularly NGOs, to participate in cluster meetings as well as the lengthy HRP development process. As one frustrated cluster coordinator put it, “We work hard to prioritize projects for the HRP from June to December. We design the HNO [Humanitarian Needs Overview] and the HRP and then an allocation comes along and ignores them. How should cluster coordinators or partners feel?” Also, not having this requirement opens the door to a large number of proposal submissions, which significantly increases the burden of the review process. A third reason was that allowing partners to develop new proposals to respond to an allocation strategy could disadvantage partners seeking funding for their HRP projects because the former could tailor proposals to allocation strategy criteria. In addition, projects in the HRP should have already undergone a needs assessment and project development process and going through these again for new projects in response to an allocation creates further work. Finally, there was a view that the HF should set an example to encourage other donors and the government to support the HRP.

The argument in support of SAs funding projects outside the HRP in oPt HF is that, in 2019, the HRP requirement was reduced considerably, from $540 million in 2018 to $350 million in 2019. This made it more difficult for partners to have their projects included in the HRP and there was a risk that restricting oPt HF funding to HRP projects could exclude funding for priority activities.

116. Reserve Allocations (RAs) that are, by definition, for unforeseen or unmet needs might require funding outside the HRP, although in some cases (e.g. Somalia), they still tended to be broadly aligned with the SOs. Where they were outside of the HRP, good practice was for them to be aligned with specific Inter-agency Appeals or Response Plans (e.g. the Mosul Flash Appeal[63] or Hawiga Crisis Operational Plan in Iraq[64]). Where this was not the case and RAs were not accompanied by an inter-agency analysis and/or where there was limited involvement of the clusters or the AB in the prioritization process, it was not possible for the evaluation to objectively determine the needs basis for the allocations. This was the case for a number of allocations in Iraq made between 2015 and 2017, where UN and NGO staff expressed significant concerns about a lack of a comprehensive and shared analysis of humanitarian needs which undermined the perceived value of the HRP as a tool to prioritize humanitarian assistance. The reasons for this were numerous and included the perceived politicization of the Plan, a lack of coherence between humanitarian actors, variable cluster capacity and their limited participation in the process as a consequence.

![Figure 17: Amount of funding allocated by allocation type, 2015-2018](image-url)
117. There was significant debate surrounding the relative use of SAs and RAs in a number of contexts. Global guidance promotes a 75 per cent to 25 per cent division between SAs and RAs although the Handbook stipulates that ‘the HC, in consultation with the AB, determines the appropriate use of the two modalities given the context.’[65] In the five case study countries, and across CBPFs more broadly, context was generally used as a lens to determine the allocation type and proportion of funding, which has led to a variety of different practices. A review of global CBPF data shows that SAs accounted for between 65 and 70 per cent of allocations between 2015 and 2017, with a shift in 2018 when this fell to 56 per cent (see Figure 17).[66]

118. While alignment with HRP priorities is important, CBPFs are also used to prepare for response. The evaluation examined two CBPF preparedness allocations. These were the 2016 Mosul SA in Iraq (see Box 5) and the 2018 Hodeidah RA in Yemen. Both of these allocations have been reviewed which provides an important source of evidence on the use of CBPFs for preparedness.[67]

Box 5: The second SA for Mosul preparedness and front-line response in Iraq, 2016[68][69][70]

In July 2016, a $284 million Flash Appeal was launched in anticipation of large-scale displacements that would result from a military offensive to retake the city of Mosul. The Mosul offensive took place in a context where there were already significant humanitarian needs in Iraq, identified in the HRP. At the time of the second SA in September 2016, the HRP, which focused on 7.3 million people out of a total of 10 million requiring some form of humanitarian assistance, was only 53 per cent funded. Of the 226 projects listed in it, 130 had closed or lacked sufficient funding. An additional 62 projects were slated to close within a three-month period. This amounted to 85 per cent of projects that either had been forced to close or were under threat of closure due to insufficient funding. While a proportion of the $41 million allocation was focused on maintaining existing operations, the majority was ring-fenced to support preparations for the Mosul offensive and first-line responses for newly displaced populations. Subsequent IHF allocations responded to needs predominantly related to the Flash Appeal while a small proportion supported existing gaps in the 2016 HRP.

119. In examining the use of CBPF funding in support of preparedness activities, there are a number of inter-linked considerations to take into account, which include the application of humanitarian principles in decision-making processes, the existence of unmet needs, and policies relevant to the use of the funds for preparedness (such as acting on a ‘no regrets’ basis).[71]

120. The humanitarian principle of impartiality requires that humanitarian assistance is guided solely by need and prioritizes the most urgent cases of distress. Therefore, funding preparedness activities in the context of a heavily under-funded humanitarian response raises a justifiable concern. Conversely, a ‘no regrets’ approach would focus attention on preparing for potential assistance and protection needs. In the case of Iraq, there was an additional pressure placed on the humanitarian community about the potential humanitarian consequences of a Mosul offensive, and, linked to this, there was widespread international concern about the importance of ensuring timely and effective support to those displaced by the conflict.[72]

121. A second example of a preparedness allocation was the June 2018 $90 million RA in Yemen. It was justified on the basis of the HCT’s preparedness plan, which laid out a ‘worst-case’ scenario focused on escalating conflict and associated humanitarian need in the port city of Hodeidah. The dynamic nature of the conflict meant that, by the time

[66] Data obtained from CBPF Business Intelligence Portal, September 2019.
[67] The NGO Coordination Committee for Iraq oversaw the review of the Mosul allocation, which is a confidential report. An external consultant reviewed the Hodeidah allocation and the report has been disseminated and discussed.
[71] Uncertainty and acting on a no-regrets basis are inherent factors in using forecasts for early humanitarian action. A forecast can go wrong in two ways: predicting something that does not happen, which may lead to acting in vain (e.g. the town evacuated and there was no flooding), or failing to predict an event that happens (e.g. the town flooded, and no one could evacuate in time).
[72] These were highlighted both by an internal NGO review and key informant interviews for this evaluation in Erbil, Iraq.
the funds had been allocated, a significant proportion went to funding early action, rather than preparedness, but it still prompted questions about the legitimacy of using CBPFs to fund preparedness.

122. The key difference between the Iraq and Yemen examples is that the HRP for the former was poorly funded while the latter received very high funding so. Given the funding context in Yemen, a review of the allocation concluded that ‘with adequate funding to meet existing priority needs (factoring access constraints and normal operating constraints), the prioritisation dilemma disappears. Under this rare set of conditions, utilizing the operating surplus of the Fund to meet projected needs and to assist in setting the response onto a more proactive footing is entirely logical.’

4.1.2. Transparent identification of high-quality projects

123. The process for determining SA priorities for fund allocations across the case studies falls into two broad approaches: In several of the case studies, the process included an initial consultation phase in which the clusters and/or inter-cluster coordination group (ICCG) either led or played a substantive role. The process resulted in a set of priorities and broad funding envelopes that were then put forward for AB/HC consideration. This approach draws on a shared understanding of needs and humanitarian priorities but requires analytical capacity across all clusters in addition to a high-functioning ICCG. This process can be hampered where there is competition between clusters or where cluster leadership is weak. As demonstrated by the example of South Sudan (see Box 6 below), it can also result in the division of CBPF funding into a large number of small grants, with intense debate about whether this was a strategic approach to selecting the most appropriate projects or simply ‘dividing the cake’.

Box 6: An inclusive approach to allocations

For the SSHF, the minimum grant size is $100,000, which was the subject of significant discussion during the case study visit as many clusters provide funding at the minimum grant level. One concern was that clusters are using the threshold as a way of dividing their envelopes across as many partners as possible rather than prioritizing in a strategic way. However, some cluster coordinators argued that providing a large number of relatively small grants was a strategic approach to promoting localization and inclusion or ensuring wider geographical coverage. A few felt that the minimum was, in fact, too high for certain types of projects, e.g., those that involve one-off deliveries of items; for more staff intensive services rather than procurement; or for funding local NGOs to provide assistance in the deep field. Also, small NNGOs believed that it excluded them from accessing the SSHF because they were not deemed to have sufficient capacity to manage $100,000.

The challenge with small grants of $100,000-200,000 is that, given the very high operating costs in South Sudan, it can be difficult to achieve results. UN agencies found it particularly difficult to achieve impact with the small grants and they mainly used them to fill critical gaps, but even a large NGO argued that this was a limitation because it often had to cut staffing and other costs to stay within the grant ceiling. Another consequence of smaller grants is a reduction in project timeframes (see section 4.1.4 for a discussion on this). Alternatively, partners are asked to reduce their budget but without reducing activities or beneficiary numbers, which puts them in a difficult position. The large number of small grants also increased the HFU’s workload, because it had to process them all, and also risk management costs such as for audits, monitoring and financial spot checks.

124. The second approach encountered in the case studies was led by the HC who, in consultation with the AB, determined a set of allocation priorities and cluster envelopes. The clusters work within these parameters to identify specific priorities and projects. The HC and AB then convene a series of cluster ‘defenses’ in which cluster coordinators must present and defend the priorities that they have selected. This is a more directive process and tended to be used where there was less confidence in the clusters collectively or individually or in situations where the HC or AB wanted to engage more directly in the prioritization process. Interviews flagged concerns that it can place clusters in competition with each other and thus militate against collaboration. There was also some anxiety expressed that there was a ten-

[74] The first SA in 2019 in oPt had followed this approach but without requiring cluster defenses.
dency for stronger, or more articulate, cluster coordinators to fare better in the process.[75]

125. The use of scorecards to assess the merits of proposals and the inclusion of HFU staff, either as members or observers, in the strategic review committees (SRCs) were both considered to have improved the transparency of the review process. During the period under evaluation, efforts have been made to strengthen the inclusion of different types of cluster members, including UN agencies, INGOs and NNGOs. This has also improved perceptions of the impartiality of the process. Despite this, partners still questioned some of the decision-making processes although this was usually when they failed to secure funding. As per global guidelines, HFUs had mechanisms in place for partners to make complaints about the project selection process. In oPt, the HC had stepped in on occasion to address specific partner concerns. The number of complaints that HFUs received were outweighed by a broad acceptance that the processes were as fair and transparent as they could be, given the competitive nature of the humanitarian funding environment.

126. The decision-making process for RAs varied considerably and was heavily influenced by the HC and the prevailing context, which is consistent with global guidelines. Some HCs chose to fast-track decision-making processes, including through email exchanges, in order to speed up the allocations. This was justified by the urgency of the situation and a need to act swiftly and is consistent with global guidance. However, some of these allocations attracted criticism, particularly when there was disagreement about humanitarian priorities and when the evidence to justify the allocations was considered to be weak. The RAs that attracted the most criticism tended to be those that were perceived to compensate an agency or cluster for what was considered to be its failure to adequately prioritize or fundraise. It is noteworthy that these issues tended to be most acrimonious in the contexts where the humanitarian community was itself least cohesive. Where there was a greater sense of team, the same decisions that would have attracted considerable disharmony elsewhere could be discussed and agreed with comparative ease.

4.1.3. Integrated programming to strengthen contextual relevance

127. An integrated approach to providing assistance is more relevant and effective for responding to the needs of affected communities, who do not experience needs in sectoral siloes. Therefore, some CBPFs have sought to increase the relevance and quality of projects through integrated or multi-cluster programming. While many of the funds referred to integrated programming, the focus of this was frequently on fostering collaboration between different sectors rather than seeking to integrate responses. One of the few exceptions was Somalia, where the SHF has a history of seeking to promote integrated response through its allocations (see Box 7).

Box 7: The use of integrated responses by the SHF[76][77]

In line with the revised HRP of May 2017, the SHF financed integrated responses in both its SAs and RAs from May 2017 until 2019, allocating funding envelopes for groups of clusters as well as individual clusters. The SHF is flexible about the modalities used to deliver multi-cluster projects, such as a small number of partners working to deliver multi-cluster projects in a specific area of operation or the deployment of Integrated Emergency Response Teams for life-saving health, WASH, shelter/NFI and nutrition response (with the option of incorporating food security and protection depending on critical needs in the selected areas) or partners targeting the same beneficiaries with several, multi-cluster activities.

128. Given the collective participation of clusters in CBPF processes, in theory at least, the funds have an advantage over other donors in delivering integrated programming. However, it has been difficult for many of the CBPFs to achieve this in practice. This is in part because of the siloed nature of both HRPs and the cluster system. Clusters that had been tasked with jointly reviewing integrated programs spoke of the challenges that could arise in terms of workflow given the need to ensure that proposals were cleared by several clusters. Multi-sector programming has also been challeng-

[75] The same accusation can also be made when clusters work together collectively as strong leaders will have the potential to negotiate better outcomes than their weaker peers in any forum if they wish to put their individual cluster priorities over collective priorities. However, there was a general view expressed that a collective approach offered greater potential for views to be expressed.

[76] It is noteworthy that the integrated approach is a requirement for some allocations, but not for others.

ing because many NGO partners are specialized and may struggle to have equal levels of technical expertise in several sectors. The GMS also reflects the cluster system, requiring partners to select one main cluster for a proposal. This difficulty can be overcome by allocating a percentage of the project to different clusters and then ensuring that the proposal makes the link across them but this is an administrative hurdle.

**Good practice:** The SHF’s good practice in promoting and supporting integrated programs offers important lessons for other CBPFs that are seeking to do the same.

4.1.4. The use of project timeframes that are relevant to the context

129. Although CBPFs are designed to respond to emergencies, they tend to operate in protracted crisis contexts. This raises questions about whether they should support short-term emergency response projects or projects with longer timeframes that can better respond to the chronic nature of the humanitarian needs that they are trying to address. Somalia offers a good example of a fund that has encouraged partners to adopt more sustainable response strategies that will contribute to longer-term change, even within 12-month project timeframes. This is more relevant, given the protracted and recurrent nature of the crises in Somalia. The most frequently cited example of this was the prioritization of boreholes over water trucking.\[78]\n
130. Across the case study countries, most allocation strategies have historically focused on a maximum project length of 12 months. This is mainly because of annualized planning and funding cycles. As noted in section 3.1.3, very few donors provide multi-year funding and only a small number of CBPFs received significant multi-year funding over the evaluation period. This has limited the ability of CBPFs to provide multi-year funding to partners.

131. In practice, funding was often as short as six months, with interviewees questioning whether this was appropriate for the chronic contexts in which CBPFs operate. Although a short timeframe might make sense from a management perspective – making budgeting, reporting, monitoring and other processes easier to manage, with minimal overlap between allocations – it has created problems with project design and implementation. This is because it is far more challenging to try to deliver sustainable approaches to address longer-term needs through six- or nine-month projects. Partners also argued that it was extremely difficult to pay adequate attention to cross-cutting issues and establish effective AAP systems in short-term projects with no guarantee of continued funding. The short timeframe was particularly problematic in contexts where partners faced bureaucratic impediments. Delivery of projects in these contexts frequently requires longer timeframes or no-cost extensions.

**Challenge:** The short timeframes for CBPF projects, particularly in situations of protracted humanitarian need, posed considerable challenges. While some CBPFs have taken steps to ensure an approach that offered some degree of sustainability, in other countries, six- to nine-month projects were considered too short to deliver effective programs. These challenges were all the more significant when bureaucratic impediments further delayed implementation.

132. Recognizing that even 12-month projects might be too short in protracted contexts, the Somalia fund was considering longer projects. In 2019, the SHF strategy included a focus on recovery and resilience. As part of this, the HC could approve projects longer than 12 months ‘in exceptional cases’, albeit with agreement that the SHF will not cover full management components, but only specific programmatic activities beyond 12 months (maintenance, monitoring, community participation etc.).\[79]\n
\[78]\ For example, throughout 2018 in Sool and Sanaag, SHF funding was used to drill and equip strategic boreholes, which not only contributed towards sustainable access to safe water but was also cost effective in comparison with water trucking.

133. The DRC fund has also sought to address the challenges associated with short-term programming by supporting projects with timeframes of up to 24 months through SAs. This offers greater predictability and should also make it easier to address cross-cutting issues and ensure inclusion (which is a strategic objective in the HRP). However, some interviewees raised concerns about the longer timeframes, arguing that there was a lack of funding for emergency response. The DRC experience underlines the importance of being clear about the fund’s purpose and added value and revisiting issues such as project timeframes regularly to ensure that they remain relevant to the context.

4.2. Effectiveness and efficiency of processes to allocate and disburse funding

4.2.1. Efficiency and timeliness of allocation and disbursement processes

134. The online survey revealed broad satisfaction with the contribution made by CBPFs to the timeliness of humanitarian response, which received very positive responses – 85 per cent of respondents selected either ‘significant contribution’ or ‘some positive contribution’ (see annex 5).

135. Based on the global CBPF operational handbook, country-level pooled fund operational manuals outlined the workflow for both SAs and RAs. While some CBPFs (e.g., Somalia and South Sudan) have an indicative number of working days for each step in the operational manual, others use the global average target of 50 days for SAs and 20 days for RAs or a variation of this. The indicator used is the number of days from project submission to the implementing partner’s signature of the grant agreement. Data obtained from GMS shows that the average time taken to process proposals from submission to grants agreement has decreased significantly during the period under evaluation, across CBPFs, particularly for SAs, but also for RAs (Figure 18).

Figure 18: Timeline for CBPF SAs and RAs, 2015-2018

136. In addition to achieving efficiency gains in the allocation process, there have been significant improvements made in reducing the time taken between OCHA’s Executive Officer or UNDP signature of grant agreements and cash transfers being made to partners (see Figure 19).

[80] These are supported through a bilateral arrangement with the Swedish Embassy rather than receiving funding from the DRC Humanitarian Fund.

[81] The oPt HF uses the global average while the IHF uses a variation of this, stipulating that the steps from the development of the allocation strategy to the disbursement of the first tranche should take 55-64 working day, while, for RA, these should take 18-22 days. For the SHF, a 50-day target was set for the SA and 30-days for the RA.

[82] Data was obtained from OCHAs Grant Management System, September 2019.
137. Two of the most effective ways of reducing the timeline have been to present allocation strategies that are geographically and sectorally prescriptive for both SA and RA (e.g. Somalia). This tighter prioritization is considered to be helpful because it reduces submissions from partners that are working in sectors or geographic regions that are outside of the allocation strategy. Cluster coordinators who had been in post for the period under evaluation viewed the reduced number of submissions positively, as they were able to focus more of their time on issues of quality.

**Good practice:** The development of allocation strategies that are evidence-based and outline tightly-defined geographic and sectoral priorities increase focus, reduce the number of submissions and in so doing, can increase the efficiency and timeliness of the allocation and disbursement process.

138. A second approach that CBPFs have taken to reduce the administrative burden of processing a large number of grant agreements, and thereby timelines, has been to increase the grant size (oPt was one case study example where the fund had increased the minimum grant size from $100,000 to $240,000). This reduces the overall number of proposals received, although it can militate against the participation of NNGOs, which may lack sufficient capacity to manage or deliver large grants.

139. The case studies revealed a range of other tactics that HFUs had used either to strengthen the timeliness or the coherence of the prioritization, allocation and review processes. In one case, the process was timed to coincide with the preparation of the HRP, which was found to be extremely labor-intensive. There were also several examples of merging the strategic and technical review processes with fairly negative results. In one of the funds, the technical review is undertaken via the GMS, which reduced the need to convene the cluster and was felt to increase timeliness.

140. One of the strongest arguments against condensing timelines is that it can have implications for project quality. In many of the case studies, NGOs raised concerns about the limited time to prepare quality proposals. The SHF had the clearest position on this issue; that there was a reasonable expectation that ‘the best placed partners’ should have a good understanding of the context in the areas that they worked and should maintain updated analysis which should put them in a strong position to prepare quality proposals in a timely way. Conversely, if agencies did not have this information, then they were unlikely to be the best-placed partners.

141. There were also some practices that stretched the timeframe; several cluster coordinators and CBPF partners considered that the use of cluster defenses lengthened the allocation process because scheduling could be time-consuming and then further time was required to revise strategies. Feedback suggested that depending on the outcome of the defenses, this could increase the allocation timeline by as much as two weeks. Two of the HCs that participated in the evaluation considered that the defenses improved the quality of the projects, which they regarded as a reasonable trade-off.

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[83] Data was obtained from OCHAs Grant Management System, September 2019.
Lessons: Cluster defenses attracted considerable criticism in the evaluation due to the bias that they can introduce as a consequence of the variability in the capacity of cluster coordinators. They also contribute to increasing allocation timelines. Conversely, some HCs and ABs consider that they play an important role in improving the quality of cluster strategies.

142. The timeliness of allocations is also a reflection of how the process is led and managed (i.e. the approach taken by the HC and HFU), which may also be influenced by the context. Ultimately, while setting CPF targets on timeliness offers a useful accountability tool, it is important to have the flexibility to set sensible parameters in order to be able to achieve a balance between quality and timeliness in the allocation process.

143. Partner feedback on how CBPFs compared with other donors was mixed. NNGOs offered the most positive feedback (although this was likely influenced by the limited number of other funding streams that they could access). INGOS gave much more mixed feedback and tended to be more critical about efficiencies (i.e., the size of CBPF grants compared to the work required to compete for, and access, funding). It is important to add that, despite this, there was still considerable interest in accessing CBPF funding, often because it was considered to be nimbler and more flexible than other donor funding which made it relevant to kick-starting a response. UN agencies tended to be most critical of the process, but, where they had access to the fund, felt it provided timely allocations, particularly when seasonal timing was a factor.

4.3. The promotion of best-placed partners and support for localization

4.3.1. Identifying the best-placed partners to meet humanitarian needs

144. CBPFs seek to identify the best-placed partners to deliver assistance, be they national, international or UN agencies[84] and country-level guidance reiterates this commitment. The evaluation noted the following context-specific factors and constraints that had an influence on the comparative advantage of specific partners:[85]

• NNGOs often have greater risk tolerance or thresholds than their international counterparts;
• NNGOs frequently benefit from greater acceptance by communities and may derive a greater level of protection from these links as a consequence (e.g. Somalia, Afghanistan);
• INGOs and UN agencies frequently have long-established presences in many of the CBPF countries and, in some situations, have been able to use this to strengthen their own access to affected populations;
• INGOs, in particular, are sometimes able to achieve good access through the use of local staff (e.g. Nigeria, South Sudan);
• INGOs and UN agencies are often able to draw on significant technical capacity either at a country-level or through headquarters-level support;
• INGOs and UN agencies frequently have a long history of fundraising and project management and, as a consequence, they have robust systems and procedures in place;
• INGOs and UN agencies are generally better resourced than NNGOs, which frequently provides them with a comparative advantage in delivering large-scale projects;
• UN agencies may have specific responsibilities for procuring humanitarian goods, e.g. WFP for food commodities or UNICEF for nutrition commodities or maintaining sectorial pipelines (e.g. South Sudan);
• In a small number of specific contexts, partner profiles or the complexity of the context made it more difficult to deliver impartial or principled assistance.

145. CBPF allocation strategies routinely include a set of geographic or sectorial allocation priorities that may favor a particular type of partner. The project review process uses scoring criteria to increase the transparency of decision-making (including issues such as protection, access, strategic relevance, needs base, appropriateness, technical soundness, risk management and monitoring).[86] In addition, most CBPFs award extra points in the scoring process for NNGOs to

[85] The list is general in nature and the evaluation recognises that there are NNGOs, INGOs and UN agencies that may fall outside the categories that have been outlined.
[86] These criteria were reproduced from the first Standard Allocation of the IHF, 2018.
improve their chances of accessing funding. The evaluation found that these were generally well thought through. The Myanmar Humanitarian Fund offered a particularly nuanced understanding of how different partners and partnerships were able to offer the best delivery mechanisms in different parts of the country and which accommodated partners’ particular capacities, perceptions of impartiality, and access.

4.3.2. Inclusion of, and support for, local and national actors

146. The Grand Bargain and the Secretary-General's High-Level Panel on Humanitarian Financing[87] outlined a commitment to make greater use of CBPFs to increase and improve assistance delivered by national and local responders to strengthen the localization of the humanitarian response. OCHA has implemented this as a priority for CBPFs.

**Figure 20: Percentage of CBPF funding allocated to NNGOs by country, 2015-2018[88]**

147. As Figure 3 in section 2 showed, the volume of CBPF funding to NNGOs increased almost threefold during the period under evaluation from $74.3 million in 2015 to $208.4 million in 2018. While this represents a significant increase in absolute terms, in percentage terms, this represents an increase from 16 per cent to 25 per cent of total CBPF funding over the four-year period (see Figure 20 above). This is because contributions to CBPFs also increased significantly over the same period.

148. To place the achievement of CBPFs in context, the 2019 Global Humanitarian Assistance report outlines that international assistance channeled directly to local and national responders as a proportion of all international humanitarian assistance increased from 2.8 per cent in 2017 to 3.1 per cent in 2018. Of this amount, 83 per cent went directly to governments, with 15 per cent (amounting to $538 million) allocated to NNGOs (a reduction from 17 per cent in 2017).[89] These figures show that CBPFs have made a significant contribution to funding NNGOs compared with the broader humanitarian system.

149. Respondents to the online survey endorsed the progress made by CBPFs in this regard. Responses to a question that asked to what extent the CBPFs encourage a localized response were amongst the most positive of all responses to the survey, with 85 per cent of respondents considering that CBPFs ‘actively’ or ‘somewhat’ encouraged localization.

[87] See https://reliefweb.int/sites/reliefweb.int/files/resources/%5BHL%20Report%5D%20Too%20Important%20to%20Fail%20Addressing%20the%20Humanitarian%20Financing%20Gap.pdf.
[88] Data obtained from CBPF Business Intelligence Portal, September 2019.
and only 1 per cent saying that they ‘hindered’ it.

150. The case studies identified a range of ways in which CBPFs had sought to promote NNGOs in CBPF allocation processes (see Box 8).

**Box 8: Approaches taken in the case study countries towards the promotion of NNGOs in the CBPF[90]**

FINDINGS FROM THE SOUTH SUDAN CASE STUDY: While the SSHF has no specific policy on localization or working with NNGO partners, there is clear evidence of a shift towards channelling more funding through local and national actors. Allocation strategy documents emphasize that the response should be ‘as local as possible, as international as necessary’ and make specific references to Grand Bargain commitments on localization. During the evaluation period, the SSHF had put in place a number of measures to increase NNGO access to funding. One of these is favoring support for frontline activities that tend to be delivered by INGOs and NNGOs. Although the SSHF has funded UN agencies to procure core pipeline items, strategy papers for specific allocations repeatedly stressed the primacy of frontline activities, stating that UN agencies will only be considered for funding of frontline projects ‘where there is a compelling justification that doing so represents best use of the limited resources available’. Other measures included a rule that prevented ‘pass-through’ funding by UN agencies or INGOs to NNGOs; a lowering of the minimum grant amount for NNGOs from $200,000 to $100,000; and additional weighting for NNGO projects during project proposal review processes (NNGO projects automatically get extra points in the scoring process).

151. Interviews with NNGOs highlighted a range of perceived benefits of direct CBPF funding, not least the 7 per cent for program support costs allowed within project budgets; their relatively rapid disbursement of funds compared with other sources of funding; access to training on CBPF-related processes; and the catalytic effect that CBPF funding frequently had in raising the profile of individual NNGOs and increasing their ability to attract funding from other sources.

152. In order to strengthen the potential for NNGOs to be the ‘best placed partners’, HFUs have targeted partners for training and often made themselves available to provide one-to-one support with proposal development and the use of the GMS. While many HFUs have focused training on CBPF-related processes, others have expanded this to include broader issues linked to project management and implementation. One particularly innovative example was Afghanistan, where DFID has supported the NGO coordination body, ACBAR, to oversee a ‘twinning program’. Its objective is to build and sustain the capacities of NNGOs in responding to humanitarian needs with AHF funding. It works by pairing NNGOs with INGOs for a number of objectives, including: mentoring and guidance of national counterparts on institutional management and global good practice on humanitarian strategies and programs; practical support to NNGOs during the AHF eligibility assessment process; and building of national/international partnerships and network strengthening.[91] A significant proportion of NNGOs eligible for AHF funding had participated in the twinning program.

**Good practice:** The DFID-funded AHF twinning program to strengthen both management and programmatic capacity of Afghan NGOs is an example of good practice. This is because it addresses the perennial challenge of how to strengthen the programmatic capacity of NNGOs to ensure that they are the best-placed partners to access funding when this is outside OCHA’s area of expertise.

153. Although many HFUs felt that they lacked clarity about the role they should play in strengthening the capacity of NNGOs, most had invested time and resources in pursuing commitments to localization. However, there are limits to the extent to which the CBPFs can further this agenda. Notably, pooled funding is short-term by design and due to the needs-driven and competitive nature of the funds, funding is inherently unpredictable from the recipient perspective; CBPFs cannot address the long-term financing needs of NNGOs nor the longer-term tailored complementary support that is required. Moreover, NGOs and civil society have their own competitive dynamics, of which the funds must be cognizant in order to avoid distorting incentives and entrenching unfair competitive advantages. For example, larger

and more established NNGOs were highlighted as those most likely to secure funding. They, in turn, implement through smaller NGOs and Community-Based Organizations (CBOs). The evaluation team’s visits to oPt HF-funded projects in the West Bank and Gaza confirmed this practice, with both international and national NGOs relying on an ecosystem of CBOs to undertake community outreach work, in some cases without payment.

154. There was generally positive feedback received from NNGO staff on the benefits of their participation in the CBPFs. Somalia offers a good case study where the number of eligible NNGOs has grown over time along with the proportion of the SHF that has been allocated to NNGOs. Interviews conducted by the evaluation team with NNGO staff who had been implementing SHF projects for several years highlighted the important contribution that it has made to institutional capacity building, which has gone far beyond expectations. While CBPF-specific training was considered helpful, it has been the need to undergo capacity assessments, participate in audits and to deliver, monitor and report on projects that was considered to have been catalytic. It is these less visible and more practical opportunities for capacity development through experience that have been the most important. In addition to these benefits, NNGOs have found that the SHF capacity assessment is held in high regard and is used by many other donors as a prerequisite for their own funding.

155. While strengthening the participation of NNGOs is an objective of the CBPFs, it is important to note that the funds also represent an important means through which donors can meet their GB commitment to funding local and national NGOs ‘as directly as possible’. In the majority of the countries that have a CBPF, most donors do not have the risk tolerance or the capacity to fund NNGOs themselves, and hence are limited in their own ability to deliver against this commitment. There was acknowledgement from donors and OCHA that increases in the total donor contributions to the CBPFs are a consequence of this commitment and represent a symbiosis.

156. This evaluation considers a re-balancing of the humanitarian system towards a more localized response to be a positive outcome, but it also recognizes that this can lead to tensions with the CBPF approach of selecting the ‘best placed’ partners. While many CBPFs have managed to achieve a workable balance, for some, it has proved to be divisive. The evaluation noted a general lack of clarity about the relative prioritization of best placed partners over commitments that have been made to strengthen the inclusion of local and national NGOs, which resulted in a number of different approaches towards the relative prioritization of, and support for NNGOs.

**Challenge:** There was a lack of clarity within and between CBPFs about how to balance the contradictory guidance on the use of best placed partners and inclusion of NNGOs in line with Grand Bargain commitments. While the evaluation considers that many of the CBPFs have taken a sensible approach to reconciling these two priorities, the lack of clarity at a policy level does mean there is the potential for different interpretations to be made which have the potential to create disharmony among humanitarian partners.

4.4. Delivering quality programming

4.4.1. Projects based on coordinated and participatory needs assessments

157. Section 4.1 considered whether CBPF-funded responses are broadly prioritized against needs and relevant to the context, and the extent to which allocation strategies overall have been based on a clear and demonstrable evidence base. This section focuses on the links between individual CBPF-funded projects and the results of operationally focused needs assessments.

158. The GMS project proposal template requires partners to articulate their understanding of the context and to specify how they have used needs assessment and analysis data to underpin project design. In general, across the different case studies, this was well done. Proposals cited a range of different assessment processes and sources of data – from individual assessments and surveys conducted by implementing partners, to joint and multi-cluster needs assessment processes. Participants in the online survey also identified needs-based responses as a strength: over 90 per cent of survey participants either strongly agreed or agreed with the statement that CBPF/Humanitarian Fund projects respond to the identified needs of people and communities affected by crisis.

159. Discussions with focus group participants in case study countries largely confirmed that assessments, surveys and some level of community consultations had taken place in order to identify those most in need. However, the
depth of assessment processes was mixed, as was the level of community engagement. In a number of the case study contexts, there was also a clear disparity between the level of engagement with men and women, with women often bypassed in community-level discussions to determine needs and priorities.

160. CBPF-funded partners did face constraints in conducting more thorough and participatory needs assessments in advance of project implementation. Short timeframes between the launch of allocation strategies and deadlines for submission of proposals was listed as a frequent limitation. This, combined with the complex and culturally restrictive nature of some country contexts, had complicated the process of consulting equally with men and women. In a number of cases, an over-reliance on consultations with community leaders – often men (though not exclusively) – limited the extent to which women were able to communicate the direct impact of crises on their lives and their priorities for the relief effort. In South Sudan, for example, female FGD participants described how humanitarian organizations “only talked to the village chiefs” (usually male) when deciding how best to respond; and in Afghanistan, consultations with predominantly male-dominated Shuras[^92] meant that only limited engagement of women had taken place prior to project design in a number of cases.

### 4.4.2. Identifying those most in need, including marginalized groups

161. The GMS project template requires prospective CBPF partners to provide a detailed description of target beneficiaries for projects. Beneficiary data is disaggregated by sex and age, and there is space to include details of particularly vulnerable groups that will be assisted through project interventions, including numbers of persons with disabilities (PwD). Interviews with CBPF-funded organizations revealed that there is relative flexibility in determining the criteria for identifying those most in need. Criteria were often broad in nature, such as PwD and older people; or occasionally more specific, often related to the focus and mandate of organizations, such as female- or child-headed households, large families on low incomes, or individuals with particular diseases or disabilities.

162. During FGDs across the different case studies, participants were generally of the view that those most in need had received assistance. This was both by design, particularly in cases where projects specifically targeted vulnerable groups (verified in the case of the oPt HF, where the HFU routinely consults communities about the beneficiary selection criteria used by partners during project monitoring visits); and through community action, with beneficiaries often taking responsibility for one another and ensuring access to assistance for particularly vulnerable individuals and groups within their own communities. [^93]

163. Aside from project-specific efforts to identify and reach those most in need, there was also evidence of blanket initiatives in the form of dedicated allocations targeting particularly vulnerable populations.

**Good practice:** An AHF allocation in 2017 provided emergency assistance to vulnerable people in the most hard-to-reach areas of the country. Preceded by a comprehensive exercise to identify and prioritize the most hard-to-reach districts, the AHF dedicated the second SA of 2017 ($20 million) to accelerating the response to needs within communities living in underserved districts.

Similarly in Somalia, the CBPF was instrumental in kick-starting a lifesaving response to people affected by severe drought conditions in northern parts of the country. Its allocation of $6.5 million was among the first sources of funding in response to the drought. Subsequent allocations increasingly targeted the worst affected areas and focused on those in greatest need, regardless of their geographic location.

[^92]: Shuras are consultative groups in Afghanistan, usually made up of community elders or other respected individuals from within communities, set up to represent the wider population.

[^93]: Hard-to-reach areas were defined as places where access was limited either due to active conflict, or because of remote or hostile terrain, or a combination of factors.
4.4.3. Tailoring modalities to the needs and preferences of affected populations

164. Among its commitments at the WHS, OCHA included a target to ensure that CBPFs are ready to support cash programming. The evaluation found that this was generally the case across case studies although HFUs were not necessarily proactive in promoting the use of cash but followed the broader humanitarian community’s approach. HFUs, clusters and CBPF partners considered the feasibility of cash and vouchers where relevant, with decisions on the use of different modalities generally linked to the specificities of different contexts and the expressed needs and preferences of affected populations.

165. While it was not possible to systematically track the amount of funding distributed via cash-based assistance within CBPF-funded projects during the evaluation period, a manual review of projects in a few illustrative cases shows that a considerable proportion of CBPF funding has been delivered in the form of cash-based transfers: ranging from around 11 per cent in Somalia in 2018 to as much as 19 per cent in oPt for projects using cash as a modality in the same year. Quantifying the delivery of assistance via cash-based transfers was not possible in South Sudan, though the proportion is likely to be lower given the many factors hampering the use of cash (including widespread insecurity, weak and poorly integrated markets, limited financial service providers and hyperinflation). Other contexts, such as Jordan, Lebanon and Turkey – where cash has been the favored modality within the humanitarian response overall – are expected to have resulted in relatively high proportions of cash-based transfers.

166. Beneficiaries consulted during the evaluation generally expressed a preference for cash-based transfers, particularly multi-purpose cash assistance (MPCA) – intended to address needs across sectors. Both men and women preferred cash to in-kind assistance, citing greater choice and dignity as important benefits (see Box 9).

Box 9: IHF-funded MPCA to vulnerable returnees in Kirkuk governorate, Iraq

Following the defeat of the Islamic State in Kirkuk governorate in late 2017, large numbers of displaced people began returning to the area. With funding from the IHF, one INGO supported vulnerable returnees living outside camps in Kirkuk to meet their basic needs through the provision of MPCA. The evaluation team met with beneficiaries of the project to hear their views about the support they had received and the modality used to distribute the assistance. Overall, both male and female recipients were satisfied with the project. They felt that the amount of the cash grant was appropriate for meeting their basic needs, the project had been successful in reaching the most vulnerable households, and the modality of cash allowed them the freedom and flexibility to respond to their individual needs and priorities. There were some complaints about the efficiency of cash distributions, given the limited presence of hawala agents in some areas, as well as a lack of clarity in some cases about the selection criteria used. However, the feedback from the groups clearly indicated a preference for cash over other forms of assistance, and the implementing organization had taken steps to ensure greater transparency of its decision-making processes.

167. Cash-based transfers are not appropriate in every situation and there are certain challenges and limitations that need to be considered. When delivered through digital payments, cash is not necessarily any more prone to diversion than in-kind assistance. However, the insecurity of certain environments in which CBPFs are operating, combined with the limited reach of financial service providers – in remote areas of South Sudan for example – did in some cases raise questions about the increased susceptibility of cash to manipulation and diversion. Elsewhere, the shift from in-kind assistance to cash raised other concerns, including increased protection risks for beneficiaries.

168. Overall, the evaluation found that expert inter-cluster groups – usually Cash or Cash and Voucher Working Groups – had played an important role in determining the feasibility of delivering cash-based assistance through CBPF responses and improving the quality of project proposals in order to mitigate against the potential risks outlined above. As with

[94] OCHA’s full commitment in relation to cash reads as follows: “OCHA commits to ensuring that cash transfer programming is fully integrated into coordination structures, and to ensuring CERF and country-based pooled funds are ‘cash ready’ to facilitate the programming and delivery of multisector cash-based programs. See https://agendaforhumanity.org/explore-commitments/indv-commitments

[95] A cash marker was added to GMS at the start of 2019, enabling stakeholders to track the use of cash and vouchers more systematically in future.

other cross-cutting networks, however, cash-focused groups were often pulled in multiple directions and struggled to cover the range of demands placed upon them within the tight timeframes of CBPF allocation processes.

### 4.4.4. Taking account of gender, age and disability, and mainstreaming protection

169. CBPFs use a number of tools to systemize the way in which organizations consider cross-cutting issues in project design and implementation, and there was generally strong compliance. For example, the GMS integrates the IASC Gender and Age Marker (GAM)\(^{[97]}\) which requires all partners to assess their own projects using a standard set of criteria to generate an overall score from 0-4. Data on GAM was not yet available, since it has been introduced only recently, or the previous Gender Marker scores for all CBPFs for all years. However, an analysis of a limited set of Gender Marker data shows positive self-ratings, indicating that the majority of projects were designed to contribute or contribute significantly to gender equality (see Figure 21).

#### Figure 21: Gender marker type (0-4) for all CBPFs, 2015-2018\(^{[98]}\)

170. Participants in the online survey had a positive perception of the integration of cross-cutting issues – including gender, age, disability and protection – into project design and implementation within CBPF-funded responses. Over 85 per cent of respondents agreed or strongly agreed with the statement that CBPF project selection and implementation processes take cross-cutting issues into account.

171. Despite strong ratings in the online survey and Gender Marker/GAM data, perceptions were notably less positive during interviews, project visits and FGDs in case study countries. In fact, the evaluation team found that consideration of issues related to gender, age and disability in the project management cycle, particularly implementation, was an area of weakness across the humanitarian community as a whole. Discussions with project staff across the case studies revealed a mixed level of understanding of how to make humanitarian responses more inclusive of people with particular needs. More importantly, the strong rhetoric within proposals about the inclusivity of project approaches was often not corroborated by project visits or consultations with beneficiaries.

\(^{[97]}\) The GAM replaces the previous IASC Gender Marker and has been in use within GMS since mid-2018. CBPF Annual Reports do not yet incorporate reporting on the new GAM, but will do so from 2019 onwards. Reporting to date, therefore

\(^{[98]}\) Data obtained from GMS, September 2019.
172. The integration of disability considerations within CBPF-funded projects was found to be particularly lacking – not helped by an overall shortage of reliable baseline data on the prevalence of PwD within target populations, and a lack of technical capacity among project partners about how to adapt projects to make them more accessible to PwD. In some cases, disability-specialist organizations had played a role in terms of building broader capacity and providing technical guidance; at the same time as implementing projects specifically tailored to benefit PwD. However, those organizations were often over-stretched and under-resourced and therefore generally unable to play a more substantive role in strengthening the inclusivity of the response overall.

**Challenge:** Humanitarian organizations have paid insufficient attention to strengthening their capacity to understand and integrate cross-cutting issues. All actors should make greater efforts to ensure that specialist organizations, including gender-, age- and disability-focused agencies, are adequately resourced and empowered to inform and contribute to the response. This will require time, commitment and an investment in partnership building.

173. Protection mainstreaming was more advanced in many of the case study countries. Allocation strategies frequently emphasized the importance of mainstreaming protection issues and Protection Clusters in a number of contexts – including Iraq, oPt, Somalia and Ethiopia – had invested time and effort in improving the quality of project proposals by actively engaging in review processes. As a consequence, there does appear to have been some progress in mainstreaming protection effectively in CBPF-funded responses.

174. As well as responding to demands at country-level to improve the quality and inclusiveness of CBPF-funded responses, the funds have also come under pressure to deliver against globally determined priorities. For example, in January 2019 the UN Under-Secretary-General and Emergency Relief Coordinator (USG/ERC) communicated the following four priority areas for Resident Coordinators/Humanitarian Coordinators (RCs/HCs): “a) support for women and girls, including tackling gender-based violence, reproductive health and empowerment; (b) programs targeting disabled people; (c) education in protracted crises; and (d) other aspects of protection.”[99] RCs/HCs were asked to increase their focus on these four areas and ensure their due consideration in requests for CERF funding and within CBPF allocations.

175. A subsequent communication from the USG/ERC announced a decision to set aside $200,000 from five CBPFs for deployment of additional protection capacity through the Protection Standby Capacity (ProCap) project.[100] A number of HCs and ABs have questioned the way in which this priority was determined and communicated because it raises questions about the balance of country-versus-headquarters prioritization and the extent to which HCs are empowered to exercise their leadership and control of decision-making processes.

4.4.5. Accountability to affected populations (AAP)

176. CBPF allocation strategies frequently noted the importance of ensuring accountability to affected populations within projects – both in terms of providing essential information to beneficiaries on available assistance and establishing feedback and complaints mechanisms to gather the views of affected people on the response. However, interviewees often described AAP as limited and the evaluation team confirmed this through project visits and FGDs with beneficiaries (with the exception of some isolated examples of good practice). The online survey also highlighted AAP as a limitation, with more people disagreeing (either somewhat or strongly) with positive statements on the participation of affected people in CBPF-funded projects than any other survey question (see Annex 5 for further details). The oPt case study was the one exception, where community consultations revealed a high level of satisfaction with communication and AAP. The main reason for this appeared to be that CBPF-funded partners worked with community-based organizations on outreach, beneficiary identification and feedback.

[99] Cited from internal UN communications.
[100] Cited from internal UN communications. The CBPFs asked to set aside funding for ProCap deployments were: Nigeria, DRC, Yemen, Afghanistan, South Sudan and CAR.
177. Recognizing AAP as a weakness, the humanitarian community has made efforts to put in place mechanisms to facilitate greater AAP in some CBPF contexts. These included centralized AAP mechanisms, such as the call centers, as well as localized mechanisms, including camp committees/camp managers, community mobilizers and feedback and complaints boxes. Despite beneficiaries frequently expressing a preference for direct and face-to-face contact with organizations to provide feedback or make complaints, the team observed a general over-reliance on centralized and remote AAP mechanisms, such as hotlines. oPt was one exception where both INGOs and NNGOs worked with CBOs on community outreach. This resulted in much higher levels of satisfaction with community engagement and feedback mechanisms, including amongst women. As noted above, the case studies highlighted gender differences in the involvement of communities in AAP mechanisms. Women generally reported feeling less informed and less able to make complaints or give feedback than men – notably in Somalia, Iraq, Afghanistan and South Sudan. In these contexts, extra care is clearly needed to design interventions and AAP mechanisms so that all affected people are able to participate.

4.4.6. Challenges to delivering quality programming

178. CBPF partners and HFUs have used the tools at their disposal to make projects more inclusive, at least in the design phase. These include the GAM/Gender Marker, as well as proposal template that outline how projects will target those most in need and respond to the specific needs of people in a participatory and accountable manner. These are positive steps, at least triggering a thought process within organizations about how to make projects more inclusive and adding a degree of accountability for their use of CBPF funding. However, there are limits to what a funding mechanism, relying on a bureaucratic approach, can achieve in terms of genuinely improving the quality of the response. For that, an extra level of effort is required from implementing partners and HFUs. All stakeholders, particularly donors, also need to understand the potential trade-offs that come with emphasizing quality and inclusiveness over other important criteria, such as the speed and cost-efficiency of CBPFs.

179. All of the issues covered under the heading of quality programming take time, money and dedicated expertise to get right. Developing a thorough understanding of the needs of affected people through participatory assessments can delay the start-up of projects. Adapting projects to the specific needs and capacities of particular groups or individuals – according to their age, gender, disability, vulnerability to particular protection concerns, or preference for particular modalities of assistance such as cash – often requires specialist knowledge and expertise. Setting up tailored feedback and complaints mechanisms comes at an additional cost on top of already tight project budgets. The South Sudan case study provided examples of how a focus on cost per beneficiary in the project selection process mitigated against the development of AAP mechanisms and adapting the delivery of assistance to PwD. In addition, monitoring and capacity building on these aspects adds to the already heavy workload of HFUs and clusters and requires a specific skill-set and staff profile. Given the emphasis on rapid decision-making within allocation timeframes and considering short timeframes for project implementation, as well as a desire to keep CBPF overheads to a minimum, some level of compromise is required.

180. The degree to which HFUs and clusters have taken on responsibility for building capacity on issues related to quality programming has been mixed. In some cases, HFUs (with the support of clusters and cross-cutting groups/individuals) clearly see it as their responsibility and have begun putting in place initiatives to increase the overall quality of CBPF-funded responses, mainly through training and the circulation of guidance materials. In other cases, the evaluation team heard that weaknesses in these areas go beyond the remit of the funds and should be addressed through broader, system-wide efforts to improve inclusion and quality within humanitarian response.

181. It is certainly the case that the challenges related to delivering participatory and inclusive responses in emergency situations are not unique to CBPF partners. However, given the increasing significance of CBPF funding within the broader humanitarian funding landscape, and bearing in mind the close alignment of CBPFs with HRPs and the humanitarian coordination structure, there is scope for the funds to be more ambitious in striving for a better-quality response on behalf of affected populations. In practice, this would require a continued commitment to use the available tools at their disposal, as well as additional efforts to work together – particularly HFUs, clusters and cross-cutting advisors and [101] Centralized call centres were operational in both Iraq and Afghanistan – resourced in part by contributions from the respective CBPFs – with a remit to respond to calls from affected people across the country, not just those benefitting from CBPF-funded assistance. A hotline dedicated to protection against sexual exploitation and abuse (PSEA) and gender-based violence (GBV)-related calls has also been supported by the Humanitarian Fund in the Central African Republic (CAR).
networks – to collectively build the capacity of CBPF partners and hold each other accountable. Additional donor funding is likely to be required to adequately resource improvements, as well as a level of acceptance that there are limits to what can be achieved by CBPFs given the many competing demands placed upon them.

4.5. Outputs

182. Looking beyond process indicators, this evaluation also set out to review progress in terms of results. The GMS and its Business Intelligence Portal provide significant detail on quantitative outputs disaggregated by countries and clusters. While some of the basic data has been used in the context section of this evaluation report, this section focuses on analyses that provide an indication of what has been achieved by the CBPFs over the four-year period under evaluation.

183. Beneficiary data presented in the figures in this section should be treated with caution because it contains errors of inclusion (i.e. double counting). The CBPF-Section has developed guidance on aggregating beneficiary numbers at country level while avoiding double counting the number of people assisted. This focuses on the ‘Max Value’ approach used in many HNOs, which is a conservative way to ensure that the same beneficiaries are not counted multiple times. Essentially, this approach means that it is acceptable to add up beneficiaries across categories where there is no overlap (for example, sectors that have assisted totally different people or projects implemented in different geographic locations). When there is potential for overlap, the approach involves taking the highest number of beneficiaries for which there is no double counting. However, even in 2018, only some of the CBPFs had applied this approach so the data is likely to include significant double duplication.

184. Another issue with the beneficiary data in this section is that of direct versus indirect beneficiaries. The CERF guidance on counting beneficiary numbers without duplication states clearly that the CERF does not include indirect beneficiaries. In cases where it is not possible for a project to identify direct beneficiaries only, it reports the number of indirect beneficiaries separately. CBPF guidance does not refer to this issue so it is likely that some of the figures are inflated through the inclusion of indirect beneficiary numbers.

185. Figure 22 provides a cumulative and comparative funding analysis by cluster. It shows the funding that each cluster received by year and provides a comparison across clusters and within clusters between years. The health cluster received the greatest volume of CBPF funding for three of the four years under evaluation, although in absolute terms, it received only $6 million more than the WASH cluster over the four years. Apart from these clusters, food security, emergency shelter and NFI, nutrition and protection received between $413 million and $250 million.
Figure 22: Distribution of total CBPF allocations received by cluster/sector by year, 2015-2018

186. Figure 22 should be viewed in conjunction with Figure 23 (below) that shows the cumulative number of affected people that each cluster reached with CBPF funding. This shows that the health cluster reached the greatest number of affected people in absolute terms (146 million), which was more than double the number reached by the WASH cluster (66 million). Food security, nutrition, protection and multi-sector projects all assisted between 20 and 30 million people.

[102] Data was obtained from the CBPF Business Intelligence Portal, September 2019. Disaggregated data was not available for the sub-clusters.
Figure 23: Number of affected people reached by cluster/sector by year, 2015-2018[^103]

187. Figure 24 provides an overview of the number of affected people targeted and the number reached by all clusters for the four-year period under evaluation to provide an indication of total reach by cluster which confirms the significant reach of the health cluster in comparison with all other clusters (noting that it also received a far greater funding allocation than other clusters).

[^103]: Data was obtained from the CBPF Business Intelligence Portal, September 2019.
188. Figure 25 shows the cumulative number of people assisted with CBPF funding, disaggregated by cluster for each of the years under evaluation. Along with Figures 34 and 35 below, it shows a reduction in the number of people reached in 2018 compared with prior years but this is due to a change in how the figures were calculated. In response to donor requests for greater clarity on results reporting, CBPFs changed how they reported these in 2018. Rather than reporting results based on the year in which the funding was allocated, the annual reports showed results reported in 2018, regardless of whether the projects had been funded in 2017 or earlier or 2018. Nevertheless, as with the figures above, the 2018 beneficiary numbers include duplication as well.
Figure 25: Total number of affected people reached by across all CBPFs by cluster, 2015-2018[105]

Figure 26: Total affected persons targeted and reached across all CBPFs, 2015 – 2018[106]

189. Figure 26 below shows the total number of affected people targeted for assistance and actually reached during the four-year period under evaluation.

190. The final chart (Figure 27) below presents the number of people that CBPFs reached, disaggregated by sex and age.

[105] Data was obtained from the CBPF Business Intelligence Portal, September 2019.
[106] Ibid.
Figure 27: Total affected persons reached across all CBPFs, 2015 – 2018[^107]
5. Outcomes: In what ways do CBPFs contribute to the outcomes of strengthening humanitarian coordination and leadership?

The 2015 Policy Instruction anticipated that CBPFs would contribute to the achievement of three outcomes, i.e., improved response, better coordination and strengthened leadership. This section focuses on the CBPF’s contribution to the latter two outcomes while the next section examines its contribution to improving humanitarian response.

5.1. Better coordination
5.1.1. Collaboration between humanitarian actors

191. CBPFs strengthen collaboration in a range of different ways; in particular, their ‘inclusive’[108] approach to representation has started to address some of the historic power imbalances in the humanitarian system. It also has the potential to strengthen decision-making by leveraging the benefits of having a diverse group of humanitarian leaders, which recent research suggests improves decision-making.[109]

192. The AB offered the greatest potential to leverage the benefits of its diverse representation. The participation of NGOs (often including individual NNGOs as well as the national NGO Forum), UN agencies, donors and the HC crosses traditional fault lines. The AB offers NGO representatives a seat at the humanitarian table and involvement in strategic decisions on humanitarian priorities, including sectors and geographies, and on ‘best-placed’ partners. Where the AB was well-led by the HC, as it was in Somalia, the evaluation found a strong sense of purpose, in addition to a more nuanced understanding of the strengths (and weaknesses) of different partners, which offered the potential to obtain the best from each.

193. Interviews in several of the case studies revealed an appetite from some AB members for further evolution of the group with more space to discuss issues that go beyond specific allocations, including risk management, program quality or improvements to outcome level reporting. In recognition of this, one of the funds had instituted an annual general meeting from the beginning of 2019 which is considered to be good practice. This is expected to evolve into a two-day retreat-style meeting in future years, allowing time to cover a full range of key issues, which could include an overall vision for the fund, resource mobilization strategies, and funding complementarity. There is significant scope for HCs to use ABs as more than a body to authorize project strategies and for CBPFs to routinely influence outcome-level collaboration. However, this will also require that AB members are able to work together in a way that goes beyond their institutional boundaries.

Lessons: In Afghanistan, there was emerging good practice on strengthening the strategic engagement of the AB beyond the business of allocations and project authorizations. However, there continues to be scope to maximize the potential of a diverse, operationally focused group of humanitarian leaders.

194. There was also some evidence of new or innovative partnerships between humanitarian agencies being brokered as a consequence of CBPFs, although these were limited in number and were not always directly attributable to the CBPFs. DFID’s twinning program in Afghanistan, which uses the AHF as its focus, was an example of a joint endeavor. There were also several examples of CBPFs brokering partnerships that drew on the distinctive competencies of agencies to deliver a more relevant, effective or principled response and in so doing, strengthened collaboration between different organizations (e.g. Myanmar Humanitarian Fund).

[108] In CBPF parlance, ‘inclusiveness’ means the participation of a broad range of humanitarian partner organizations (UN agencies and NGOs) in CBPF processes that receive funding to implement projects addressing identified priority needs.

5.1.2. Support to cluster/sector coordination mechanisms

195. CBPFs incentivize participation in clusters because of the critical role that clusters play in fund allocation processes. They also promote participation in HRP processes in contexts where partners are required to have a project in the HRP to be eligible for funding. Cluster coordinators generally felt that the funds strengthened cluster functioning because they provided a means of operationalizing cluster objectives, particularly at the beginning of the year, before other funding arrived to help deliver the HRP.

196. Humanitarian operations in many of the case study countries were highly centralized but CBPFs also had the potential to strengthen links between national and sub-national coordination. In South Sudan, national cluster coordinators were expected to consult their sub-national counterparts during SSHF prioritization processes although the extent to which this happened varied by cluster, agency and geographical location. Interviewees consulted during the fieldwork suggested that SSHF funding had enabled sub-national clusters to address critical gaps. In Ethiopia, the fund has supported coordinator and information officer posts at sub-national level. This has helped to ensure the flow of information from emergency hot spots to capital level and contribute to decision-making. In some contexts, sub-national clusters were less involved in CBPF processes either due to capacity gaps, or because cluster coordinators had not taken the opportunity to engage them.

197. From a workload perspective, CBPF processes can present challenges for cluster coordinators, particularly during proposal review and revision. There were also instances when mistrust between humanitarian partners or concerns about the transparency of processes had undermined coordination. While review processes can sometimes create disharmony, HFUs have sought to promote fairness and transparency, including by participating in review processes. As a result, there was broad consensus across clusters on the overall positive contribution of CBPFs.

198. In addition to strengthening coordination within clusters, in a handful of countries, CBPFs have been used strategically to increase collaboration or integration between clusters. This was particularly important given that it has been challenging to deliver integrated responses in a humanitarian architecture that is organized in sectoral siloes. In Somalia, the approach taken by the HC and HFU to empower cluster coordinators and the ICCG by giving them the flexibility to define and prioritize the response has provided an opportunity to enhance convergence and synergies in the response, as well as helping to dismantle some of the sectoral siloes. While this has not been easy to achieve, it is good practice, and there is considerable scope for other CBPFs to learn from the approach.

Lessons: CBPFs have significant potential to strengthen cluster coordination and inter-agency collaboration. While some of this is hard-wired into fund processes, a large part is a consequence of how the HC leads the forums associated with the fund (particularly the AB), and curates fund prioritization and allocation processes.

5.2. Strengthened leadership

5.2.1. HC engagement in the CBPFs

199. HC leadership is essential for the performance of CBPFs. Interviews highlighted the influence that the HC’s leadership style and level of engagement have over fund management and the important role that these factors can play in determining a fund’s effectiveness – either positively or negatively – irrespective of the role played by other actors, the clarity of the Operational Guidance or the soundness of the allocation and disbursement processes.

200. HC leadership of a CBPF gives it credibility, but at the same time the fund can also strengthen the credibility and legitimacy of an HC because it offers an opportunity to maintain relevance and be operationally engaged in a dynamic humanitarian response. It also provides a forum in which the HC can meet with donors and senior agency staff that is focused on operational issues rather than policy. Most importantly, the fund provides an HC with a means of filling critical gaps in the HRP, ensuring the coherence of the response, and addressing humanitarian priorities that may lie outside of an HRP or be unpopular with other donors.

201. The online survey provided positive feedback on HC capacity to lead and oversee CBPFs, with 30 per cent considering that this was ‘excellent’ and a further 39 per cent rating it as ‘good’. This was the aspect of CBPF delivery capacity
that received the most positive response.\footnote{110}

202. In some of the more complex or politicized crises, there were some concerns raised about whether the different roles of an HC, which can include RC and DSRSG, allow sufficient time to focus on overseeing the fund. For one of the funds, there were concerns that the HC prioritized political expediency over humanitarian principles, although in the majority of cases, it was felt that the HC was able to ensure a satisfactory separation of these different duties.

203. Ultimately, the evaluation found that the most effective CBPFs were not necessarily those with the strongest HC at the helm but those that had the strongest constellation of actors to lead, drive and manage fund processes. This comprised the HC, the OCHA HoO, the Fund Manager and the clusters coordinators.

\[\text{Lessons: The effectiveness of CBPFs can be attributed, in large part, to having sound leadership, strong fund management, an engaged AB and strong cluster coordination. While HC leadership plays an essential part in this, having adequate capacity across this constellation of actors is what permits a CBPF to function effectively.}\]

5.2.2. Decision-making and accountability

204. As outlined in the global guidelines, the overall management of CBPFs rests with the HC, with the AB playing an advisory role. The guidelines require that the HC makes final decisions on projects recommended for funding, but also stipulate that \textit{‘funding decisions can be made at the discretion of the HC, without a recommendation from the AB, for circumstances which require an immediate response.’}\footnote{111} It is also within the HC’s authority to reject overall recommendations from the review committees.

205. While ABs engage actively in allocation processes, they acknowledge that their role is advisory and that final decision-making authority rests with the HC. Despite this, the case studies identified instances when ABs had reservations regarding HC’s allocation decisions. These were occasions when CBPF governance processes came under greatest stress and some of the concerns about disputed allocation decisions were escalated to the global level. In the majority of cases, the controversial decision had been either shared, or discussed, with the AB, and often the AB had ultimately agreed (or agreed to disagree). Problems arose when the HC and AB could not reach agreement and when dissatisfaction with the action taken by the HC was subsequently escalated to headquarters.

206. The global Operational Guidelines state that \textit{‘the HC’s responsibilities are explicitly stated in the HC Compact with the ERC’} with whom accountability for decisions made by the HC on behalf of the fund rest. In principle, this evaluation concurs that leadership and decision-making responsibilities for CBPFs lie with HCs. While the escalation of concerns by AB members tested existing accountability mechanisms, this has now been addressed by an agreement between OCHA and PFWG donors on a process for escalating issues to OCHA senior management.\footnote{112} This respects existing accountabilities while offering recourse for addressing issues of concern.

5.2.3. Complementarity with funding modalities - CERF

207. As part of their leadership of CBPFs, HCs are expected to use the funds in a strategic manner, considering other funding mechanisms, particularly the CERF. From the perspective of complementarity, the most important link for CBPFs is with CERF funding since combining allocations from these two mechanisms offers an opportunity to increase efficiency and effectiveness. The case studies found country-level performance to be mixed. At one end of the spectrum, stakeholders felt that complementarity had been achieved when funds were simply used for different aspects of the same response, while at the other, there were efforts to articulate joint CBPF-CERF allocation strategies that leveraged the comparative advantages of each fund to improve a response. This included issues of partner type, location, activity type, timing or duration. Box 10 below summarizes examples.

\footnote{110} The question also asked respondents to rate the AB, Review Committee, HFU, clusters, cross-cutting advisors and partners.
\footnote{111} This is taken from the 2019 Somalia Humanitarian Fund Operational Manual, but it is consistent with operational manuals from other CBPFs and with the global guidelines.
\footnote{112} This was outlined in a CBPF Accountability meeting conducted with donors in June 2019.
Since OCHA’s Pooled Fund Management Branch now manages both CERF and CBPFs, there is greater scope for headquarters to play a role in prompting or providing strategic guidance on how to strengthen complementarity. This is all the more important given the targets for expanding both funds ($1 billion for CERF and 15 per cent of HRP funding for CBPFs), which would have a significant impact on OCHA internally, but also the in-country leverage of the two funding mechanisms.

**Challenge:** While there are signs that complementarity between CBPFs and CERF is increasing, there is still significant scope to ensure greater consistency in leveraging the specific benefits that the different funds offer in support of a more coherent response to humanitarian crises.

### 5.2.4. Complementarity with funding modalities – other funding

Each of the countries visited was in a protracted crisis, which underlined the importance of coordinating short-term CBPF allocations with other funding instruments. While, in theory at least, the HC/RC/DSRSG function is well positioned to do this because the role straddles humanitarian, development and political elements of a response, in practice, this had proved to be a complex task. In some of the countries (e.g. Iraq), the development financing instruments that would have the potential to follow-on from CBPF funding were still under construction. In others (e.g. Afghanistan and oPt), while there was significant bilateral development and stabilization funding, the HC/RC/DSRSG did not have adequate visibility of this funding to promote a coordinated approach (Box 11).
Box 11: Financing for protracted crises in the case study countries

**Findings from the Somalia case study:** Following the 2017 drought, a Drought Impact and Needs Assessment informed the development of a Resilience and Recovery Framework (RRF). Prepared in August 2017, the RRF identified the root causes of recurrent drought and provided a strategy for medium-term recovery and long-term resilience.[114] This has prompted the development of four collective outcomes as a way to ensure alignment and complementarity between the RRF and HRP.[115] These are aligned with the results framework of the National Development Plan (NDP) and the Sustainable Development Goals. The programming and prioritization process under the RRF is the first real attempt in Somalia to align all stakeholders—humanitarian, recovery, and development—behind drought-related recovery and resilience building efforts.[116] However, there had been less progress in operationalizing these links and interviews with the Resident Coordinators Office and the HC/RC/DSRSG identified a series of challenges that had yet to be overcome.

**Findings from the Afghanistan case study:** While humanitarian funding for Afghanistan has reduced from a peak in 2011, significant development funding for Afghanistan exists. According to data from the Organization for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC), Afghanistan was the second largest recipient of official development aid (ODA) in 2017, with a total of $3.8 billion.[117] Humanitarian aid represented just 13 per cent of this.[118] The volume of development funding for Afghanistan may be large, but resources are generally provided bilaterally; already earmarked for on-budget support and specific programs; and difficult to re-program in response to shifting needs. This has limited the potential for development funding to directly contribute to the HC/RC’s priorities for transition, recovery and resilience. Moreover, the structures, processes and fora for coordinating development assistance are frequently opaque, making it difficult for humanitarian actors to effectively engage and forge synergies.[119] Interviewees described how this had played out directly within the 2018 drought response, which had largely failed to transition from humanitarian to development operations, and opportunities to build resilience in areas prone to drought and other weather-related hazards were missed.[120]

210. A more detailed analysis of the implementation of the New Way of Working in the case study countries is outside the ToR for this evaluation but, in practical terms, there tended to be very limited scope for CBPF-funded programs to segue into transitional or longer-term funding given that instruments are either a work in progress or coordination mechanisms are inadequate. The gap that this creates has led to pressure being placed on some of the pooled funds to expand their remit; however, at the governance level, there was broad consensus that the funds would be ill advised to do so. This evaluation concurs with this view.

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[114] The NDP, led by the Ministry of Planning and International Cooperation, covers the fiscal period 2017 to 2019. It is Somalia’s first NDP since 1986. The implementation bodies responsible for the NDP are nine pillar working groups (PWGs) which includes a resilience PWG.


[119] The recent Peer-2Peer mission also used the drought response as an illustration of the failure to respond effectively within the humanitarian-development nexus. Ibid.

[120] 2017 is the last year for which reliable data is available.

[117] A recent summary of OECD DAC data for Afghanistan can be found here: [https://public.tableau.com/views/OECDDDCAidataglancebyrecipient_new/Recipients?embed=y&display_count=yes&showTabs=y&toolbar=no&showVizHome=no](https://public.tableau.com/views/OECDDDCAidataglancebyrecipient_new/Recipients?embed=y&display_count=yes&showTabs=y&toolbar=no&showVizHome=no)
6. Contribution to improved response and operational impact

This section examines the extent to which CBPFs have contributed to improving humanitarian response (which is the third outcome anticipated in the 2015 Policy Instruction), including by supporting principled humanitarian action. It also assesses how CBPFs have delivered the operational impact statement, i.e., the provision of timely, coordinated, principled assistance to save lives, alleviate suffering and maintain human dignity. The section draws on available evidence to respond to evaluation question 1 on the extent to which the fund has made a difference to people’s lives.

211. This report has already addressed a number of components of the operational impact statement. Section 4.2.1 discussed the **timeliness** of CBPF allocations and disbursement processes. Section 5.1 examined how CBPFs contribute to strengthening **coordination** while section 4.1.1 outlined how funds align with HRP s, which are coordinated response strategies. Section 4.4.1 touched on the issue of whether projects are based on coordinated needs assessments. Since **principled** assistance has not been addressed by the evaluation questions examined in earlier sections of the report, this is covered in section 6.2 below.

212. It has been more problematic for the evaluation to assess the contribution of CBPFs to **saving lives, alleviating suffering and maintaining human dignity**. As outlined in section 1.2.6, the inception report identified the lack of data on the outcomes and operational impact to which CBPFs are expected to contribute as a key limitation. This concern was validated during the data collection phase. There is no quantitative data on these aspects of the operational impact statement. This is because humanitarian actors do not generally collect outcome and impact data for the often short-term projects that they implement and this is also the case with CBPF partners. A short summary of the challenges in evidencing humanitarian outcomes and initiatives that have been taken to address this evidential gap are provided in Box 12 below.

**Box 12: Challenges in evidencing humanitarian outcomes and initiatives to strengthen monitoring**

At project level, CBPFs have rolled out reporting in the ‘8+3’ reporting format, developed to operationalize the Grand Bargain commitment to harmonize and simplify reporting requirements by donors. Question 3 in the core questions focuses on measuring results and asks partners to ‘Describe the progress in achieving the outputs, outcomes and associated targets in the project proposal, according to the milestones or indicators that were established’.\[121\] This would enable a partner to report on outcomes if they had identified outcome indicators in their proposal and then measured progress. However, a review of outcome statements and indicators in the GMS demonstrates that these are all output-focused. This means that the evaluation was unable to draw upon systematic evidence about the outcomes and impact of CBPF projects. However, this problem is not specific to CBPFs. When requested to provide examples of outcome reporting on their bilateral humanitarian funding, that CBPFs could replicate, a number of donors admitted that they do not receive this from their partners. Rather, they are looking to CBPFs to address a system-wide weakness.

CBPFs contribute to the strategic objectives of HRP s so data on the achievement of HRP objectives would have been one way to assess the achievements of CBPFs. However, the indicators for monitoring these objectives tend to be output indicators, such as the percentage of vulnerable people with access to safe drinking water or the percentage of assisted families reporting improvements in living conditions. Therefore, there was no systematic data on outcomes or impact at the response level either for the evaluation to use. However, there are a couple of recent initiatives aiming to improve outcome level monitoring and reporting in future. One is the Grand Bargain Cash Workstream’s development of outcome indicators for multipurpose cash interventions.\[122\] These comprise cross-cutting indicators, with a required outcome indicator of the percentage of households that report being able to meet their basic needs according to their priorities, and sectoral indicators. While additional work is required to develop indicators for some sectors such as nutrition and protection, it should be noted that some sectoral indicators are at output rather than outcome level. Examples include the percentage of households using an unsafe water source because

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they cannot afford a safer water source and the percentage of households with adequate access to household non-
food items.

The other initiative, being undertaken in Yemen, seeks to monitor cluster-level impact where clusters have agreed
on specific indicators against which they report every quarter, such as the percentage increase of returnees living
in adequate housing or the percentage decrease in the number of households selling assets to buy food. This has
demonstrated outcomes such as the decrease in IPC 4 due to increased humanitarian assistance to targeted dis-
tricts. It has also highlighted shortcomings in achieving impact, such as the near doubling of cholera cases due to
authorities delaying the approval of cholera-specific projects. The challenge with monitoring impact on a quarterly
basis is that it takes a longer time to demonstrate impact in some sectors, such as food security and nutrition. Also,
due to insecurity, humanitarian actors cannot conduct regular needs assessments to monitor whether needs have
decreased due to the provision of assistance.

213. While these initiatives have the potential to inform CBPF practice on outcome reporting, it remains to be seen
whether they will meet donor needs for understanding the impact of humanitarian assistance on the lives of affected
populations. The challenges with assessing the existing CBPF operational impact model highlight the need to revisit it
when OCHA revises the Policy Instruction, in order to develop a model that is based on discussions with donors about
what is realistically measurable.

214. Despite the limitations outlined above, the evaluation was able to use available evidence to infer the contribution
of humanitarian assistance to alleviating suffering and maintaining human dignity. Quality programming that takes
account of gender, age, PwD and protection concerns and that is accountable to affected populations is essential to
achieve this. Sections 4.4.2, 4.4.3 and 4.4.4 examined the extent to which the CBPFs identify marginalized groups and
support these aspects of quality programming. The following section looks at the contribution of CBPFs to making a
difference to people's lives.

6.1. Improving humanitarian response and making a difference to people's lives

215. This section draws on a mix of primary qualitative data (key informant interviews, project visits and FGDs with
aid recipients) and secondary data (documents such as CBPF annual reports) to examine how CBPFs have sought to
address critical humanitarian needs and improve responses in order to make a difference to people's lives. As noted in
Table 2, the evaluation team visited a total of 20 projects in the five case study countries. It conducted gender-disaggre-
gated FGDs with 705 community members, using a participatory tool to identify the extent to which case study CBPFs
had provided timely and relevant assistance (thereby making a difference to people's lives) and whether communities
had been involved in project processes.

6.1.1. Summary of findings from FGDs

216. Across the five case studies, participants in the FGDs were largely positive about the CBPF-funded assistance
that they had received. They found the assistance relevant and in line with their priorities. For example, in Iraq, FGD
participants described the support that they had received as "essential", "life-saving" and "making a real difference". In
Afghanistan, several beneficiaries described the support they had received as literally "life-saving". However, they also
tended to identify unmet needs since humanitarian needs always outstrip the funding available. In South Sudan and oPt,
in particular, there was a high level of unmet chronic needs.

217. FGD participants also found the assistance that they received to be timely. This did not always mean that as-
sistance arrived in the immediate aftermath of a crisis but that it arrived at the right time. For example, in Somaliland,
CBPF-funded assistance arrived a few months after Cyclone Sagar. However, it was the appropriate time because, in the
immediate aftermath of the cyclone, communities received relief assistance from various sources and the CBPF-assis-
tance responded to their longer-term needs (see section 6.1.2 below). In South Sudan, communities had been in need
for some time but found CBPF-funded projects timely in terms of the time taken from project start up to the actual
delivery of assistance.

218. With the exception of oPt, the FGDs showed that women were less likely to be consulted than men and were also
less likely to have information about feedback and complaints mechanisms, such as hotline numbers. The contrast was particularly stark in Somalia, with women in one FGD complaining, “Organizations only talk to the men. We don’t even know when meetings take place between the organizations and the men. The men just come and tell us that an organization is going to do this or that.” However, in oPt, FGD participants (particularly women) gave a very high rating to beneficiary targeting and communication provided by the implementing NGOs. This is because, in all the projects visits, the NGOs partnered with community-based organizations (CBOs) embedded in affected communities and demonstrating a strong and natural commitment to AAP.

219. In some case studies, the FGDs highlighted the specificities of the context. For example, in Iraq, FGD participants in camp settings across Governorates consistently raised the issue of a reduction in humanitarian assistance. Despite continuing needs, they had observed deterioration in the amount and quality of services provided by humanitarian organizations (across the board and not restricted to IHF-funded agencies). As a result, discussions with beneficiaries often referred to two discrete phases of assistance: (i) feedback on assistance provided when they first arrived at camps; and (ii) complaints about the more reduced set of services and support they were receiving at the time of the team’s visit. Not surprisingly, feedback from beneficiaries on the former phase was considerably more positive than on the latter. In oPt, a notable feature of community feedback was not only appreciation of the material support provided but also a deeply felt gratitude because the projects represented a sense of solidarity with people, a sense that their needs and situation were not forgotten. Since the context is one of a protection crisis, particularly in the West Bank, FGDs highlighted the wider protection benefits of projects focused on livelihoods support and shelter rehabilitation.

6.1.2. CBPF contribution to humanitarian responses and making a difference to people’s lives

220. The case study reports combined data from multiple sources to build narratives about how CBPFs had contributed to improving the humanitarian response and made a difference to people’s lives. Included in this are the following response types:

- Response to slow-onset crises (Afghanistan and Somalia);
- Response to rapid onset crises (Iraq and Somalia);
- Response to chronic needs and recurrent crises (South Sudan);
- Addressing gaps in the humanitarian response (Iraq and oPt).

Response to slow-onset crises: Afghanistan and Somalia

221. The case studies offered examples of how the CBPFs have responded to slow-onset crises, particularly drought, in Somalia in 20016 and 2017 and in Afghanistan in 2018.

222. At the beginning of 2016 when the situation in Puntland and Somaliland regions was deteriorating due to drought, the SHF was instrumental in kick-starting a lifesaving response. The Fund’s allocation of $6.5 million was among the first sources of funding to assist people affected by severe drought conditions in northern Somalia. This allocation, complemented by $11 million in CERF Rapid Response funding, was set aside for programming and needs as captured in the ‘Drought and El Niño Call for Aid’, which prioritized the worst drought-affected areas.

223. In a country where humanitarian access is particularly challenging, the SHF’s ability to draw on a diverse range of partners (both local and international) and to identify those best placed to respond in areas of greatest need gave it a greater ability than many other funding modalities to focus on those in greatest need, irrespective of their geographic location. The independent rapid real time review of DFID’s drought response in Somalia recommended the use of alternative funding instruments including the SHF because of its greater flexibility and the access it had to a broader pool of partners with reach across the country.

224. In 2018, Afghanistan was similarly affected by one of the worst droughts in recent decades, which affected more than two-thirds of the country, devastated agricultural livelihoods, and left over four million people in the worst affected areas in urgent need of humanitarian assistance. The humanitarian community launched a revised HRP in May

2018 due to the scale and severity of needs but despite this call for additional funding, support was slow to arrive and organizations struggled to fund important life-saving operations. As part of its important gap-filling function, the AHF launched a series of allocations in response to the drought. The first was a RA in June 2018 to fund a multi-sector needs assessment of drought-affected areas. Based on the needs identified through the assessment, as well as other analyses of the impact of the drought, the AHF launched a second SA in July 2018 of $17 million, focused exclusively on drought-impacted populations. This was closely followed – and coordinated with – an allocation from the CERF’s RR window of $12 million. An additional four AHF RAs followed during the remainder of the year, allocating an additional $29.6 million to prioritized sectors (see box 13).

225. Many in the humanitarian community considered the overall response to the 2018 drought as slow and inadequate. The Government’s delay in recognizing the scale of humanitarian need and requesting international support also contributed to the slow response. While it also took some time to release AHF funding, a number of interviewees described it as “catalytic” – both in terms of kick starting the response and leveraging additional funding. It is not possible to quantify the exact amount of additional overall donor support for the drought response or attribute it with any certainty to the actions of the AHF. However, the large injection of funding to the AHF itself in the second half of the year demonstrates donor confidence in the effectiveness of the response by AHF-funded organizations.

Box 13: Humanitarian assistance to drought-induced IDPs – an individual story

The evaluation team met with beneficiaries of a project in a camp near Herat. One woman described her experience of the drought and receiving humanitarian assistance. She said, “I came here from another part of Herat because of the drought. We couldn’t work the land and there was no water. In the end, we had nothing left and there was no choice but to leave. When we arrived, it was very difficult. We had so little. My husband is old but he still went out to collect garbage to sell so we’d have some money for food. My younger children also collected garbage and the older ones worked as laborers. I also did handicrafts to make money. It wasn’t enough though, just enough to survive. We were given 7,500 Afghanis (approximately $100) for the whole family, plus a tent. I used the money to buy food and to cover healthcare costs. The only extra I bought was this scarf, which I needed to cover myself. Without the assistance, we would have suffered. The only other solution would be to borrow money and to work harder on my handicrafts. I can’t go back to where I came from. We’ve lost the land now and the soldiers are still fighting. I won’t take my children back to that situation”.

With AHF support, an INGO implemented a project to address gaps in access to lifesaving health and nutrition services among approximately 200,000 IDPs in Herat and around 120,000 IDPs in Badghis. The evaluation team met with beneficiaries of the project in Herat to hear their feedback on the project.

One woman talked to the team about her experience of being displaced and arriving at the camp in Herat. She said, “I lost my husband during fighting with the Taliban. We previously lived in Ghor Province but fled eleven months ago due to the conflict and drought. I came on foot with my children and a larger group of seven families. We left everything behind when we fled. The journey took two days, during which we had very little food or water. When we arrived on the site, we received cash assistance (approx. $100), food, tents, water and non-food items. We were and still are completely dependent on the assistance. I come to the medical clinic for various problems, including chronic bleeding from the uterus as well as a recurring neurological complaint. I’ve also visited the clinic on multiple occasions with my children, usually during the winter for treatment of respiratory conditions. My son has a serious condition due to a head trauma two years ago but that can’t be treated. If the clinic wasn’t here, I don’t know what I’d do, there isn’t enough money to pay for travel to the hospital or for treatment”.

Response to rapid onset crises: Iraq and Somalia

226. The case studies offered several examples of how the CBPFs have responded to rapid onset crises, including conflict-related displacement in Iraq in 2017, and climate-related natural disasters such as Cyclone Sagar in Somaliland in 2018.

227. In Iraq, in 2017, the IHF played a key role in responding to humanitarian events, with a total of seven RAs in addition to two SAs with a focus on responding to conflict-related displacement.\(^{[127]}\) As part of this, the IHF allocated $1 million to the Rapid Response Mechanism (RRM)\(^{[128]}\) to target 100,000 people. The RRM’s aim is to deliver immediate life-saving supplies within 72-hours to highly at-risk populations including families fleeing conflict, located in hard-to-reach areas, caught at checkpoints or stranded between military frontlines. Based on displacement patterns, RRM teams are dispatched to frontline and transit locations with easily transportable emergency kits including bottled water, ready-to-eat food, hygiene kits and female dignity kits.

228. IHF-funded RRM projects implemented in 2017 supported the provision of RRM packages and multi-sector emergency response packages that complement these, together reaching 75,000 people (50,000 IDPs from, and 25,000 vulnerable people in, west Mosul). A 2017 evaluation highlighted the RRM’s front-line role in responding to priority needs, finding that IDPs frequently arrived from front lines with little except what they were able to carry. Interviews highlighted food as being their priority and found that the RRM was frequently ‘the only program that was able to reach IDPs at the screening sites in a timely manner and a prioritized manner’.\(^{[129]}\) While the RRM modality seeks to respond in 72 hours, distributions frequently took place within 12 hours. Over 70 per cent of households surveyed reported that they received the kits on arrival, with a further 20 per cent receiving the kits within the 72-hour period.\(^{[130]}\)

229. In Iraq, following the intensification of military operations, there was a sudden influx of IDPs from Hawiga district in Kirkuk Governorate. For some of those that fled, water, food and health services were inaccessible and human rights violations and protection concerns were widely reported. With the likelihood of further military operations, the ICCG prepared the Hawiga Crisis Operational Plan\(^{[131]}\) to outline scenarios and prepare for further displacement of up to 65,000 people (see Box 14).

Box 14: The role of the IHF in responding to an influx of IDPs from Hawiga\(^{[132]}\)[[133]

In September 2017 military operations to retake Hawiga from the Islamic State caused massive displacement. The fifth IHF RA of $14 million was used to provide essential assistance to displaced communities. The IHF developed an allocation strategy to prioritize multi-sectoral assistance in and around Hawiga and neighbouring Shirqat. Through this allocation, 18 partners implemented 23 projects to reach over 492,000 people affected by the conflict with urgently needed shelter/NFIs, health, WASH, protection, education and MPCA.

230. In Somalia, the evaluation team focused its community engagement and project visits on the SHF’s response to Cyclone Sagar in Somaliland, which was launched in mid-2018. It visited project sites and conducted participatory FGDs with local communities to assess the timeliness and relevance of the response. Although SHF-funded projects started

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[128] The IHF contributed 18 per cent of the total sectoral funding received by the RRM towards the HRP.
[130] Ibid.
a few months after the cyclone, the assistance came at the right time for communities. In the immediate aftermath of the cyclone, they had received relief assistance from various entities, including the government. However, this relief assistance ended, leaving communities still in need. In one FGD, a group of women receiving vouchers for food assistance explained, "After the cyclone, we received a lot of assistance — there was a plane from Djibouti with rice and the government also provided help. Then the assistance stopped and we were desperate by the time the vouchers came". Communities highlighted the need to rehabilitate infrastructure (for example, to restore water supplies and repair damaged schools) and also to re-establish livelihoods destroyed by the cyclone. The SHF-funded projects addressed these needs and FGD participants found them to be relevant and in line with their priorities. In the FGDs, both men and women often highlighted that the project being reviewed had met their top priority and they were very grateful for the assistance provided (see Box 15).

**Box 15: Making a difference to people's lives in Somaliland — an individual story**

"I used to work on rain fed agriculture. After the cyclone, most villagers left because they had lost all their crops. The village was so beautiful before the cyclone but it destroyed everything. The government found the community and saw the damage that the cyclone caused. When I heard from the Ministry of Agriculture and the village elders that ADO was going to provide assistance, I was the first to return to the village and register for the project. Before ADO arrived, we had no assistance. ADO provided $5 as cash for work so that people built a small dam or shallow well. ADO provided support based on people's previous means of livelihood. There were three groups in the community - farmers who used irrigation (received seeds plus pumps), farmers who used rainwater (received seeds and help with a water pan) and pastoralists (received goats). They provided seeds for onions, watermelons and vegetables so that we could restart rain fed agriculture. There are 12 people in my household and I take care of my elderly mother so I am very happy that ADO has provided water for cultivation. I am very grateful to ADO."

**Response to chronic needs and recurrent crises: South Sudan**

231. Years of conflict in South Sudan have left communities with significant chronic needs. In this complex context, the SSHF has played an important role in addressing priority needs through projects delivered by a range of local, national and international partners. In February 2017, food insecurity as a consequence of conflict and related displacement resulted in a localized famine in Leer and Mayendit counties of Unity state. The SSHF made the first SA in March 2017. This prioritized frontline service delivery to locations with the most severe humanitarian needs, including the two famine-affected counties.\[134]\ It could be argued that a coordinated humanitarian response helped to contain the famine\[135]\ though severe food insecurity continued to increase for the fifth consecutive year and a record six million people were severely food insecure in September 2017.\[136]\  

232. In the same year, South Sudan also experienced its longest and most widespread outbreak of cholera since 2011 (which had started in June 2016 and which had, unusually, continued through the dry season).\[137]\ The SSHF second SA, in June 2017, prioritized counties with active cholera transmission and frontline service delivery during the rainy season. Box 20 below illustrates project responses to malnutrition and cholera. This also highlights the longer-term impact of an SSHF-funded project to improve water supply in cholera hotspots around Juba.

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Box 16: SSHF-funded projects to address malnutrition and cholera\[138\]

The photograph on the left shows a health worker screening a child for malnutrition in Jiech, Ayod County, in Jonglei. In response to the cholera outbreak in Jiech, the SSHF also funded IOM’s Rapid Response Health Teams to conduct a mass Oral Cholera Vaccination campaign in the worst affected areas (see photograph on the right). Two rounds of vaccination, in June and July 2017, protected an estimated 9,337 people from the risk of active cholera transmission. IOM also conducted two rounds of vaccination in Bentiu and Rubkona towns with SSHF funding, reaching a further 30,577 people. The vaccination campaigns were conducted in collaboration with a range of partners, including the State Ministry of Health.

A South Sudanese NNGO received SSHF funding in 2017 and 2018 for improving water supply, sanitation and hygiene services in known cholera hotspots around Juba. The evaluation team visited the 2017 project site and spoke to the local community about the project. Beneficiaries described the new borehole within the community as “life changing”. Women in particular, who usually have the responsibility of collecting water, explained how they no longer had to walk two hours every day to the local stream to get water, which was often dirty. There was less sickness within the community since the installation of the borehole, combined with the training that had been delivered by the NNGO on safer practices, such as hand washing with soap and regular rinsing out of jerry cans. While there was not enough water from the borehole for everyone, particularly since people from neighboring districts had begun using it, beneficiaries were generally in agreement that the project had made a significant positive impact on their lives.

Addressing gaps in the humanitarian response: Iraq and oPt

233. Evidence across the case studies highlighted that filling gaps in HRP funding is one of the key roles of the CBPFs. Two particularly instructive examples are addressing funding gaps in assistance to IDPs in Iraq and to communities in the West Bank of oPt.

234. In Iraq, the IHF was established at a time when humanitarian needs were increasing rapidly but funding shortfalls were resulting in program closures, despite the context being designated a Level 3 response in August 2014. The IHF’s establishment was one aspect of a re-invigoration of the humanitarian response in mid-2015. The first RA of $22.3 million played an essential role in maintaining life-saving assistance, with a focus on health and WASH in Anbar and Salah al-Din governorates that would have closed without an additional injection of funds.\[139\]

235. In 2018, the extremely constrained funding environment in oPt had left 75 per cent of HRP funding needs for the West Bank unmet. Combined with the United Nations Relief and Works Agency’s funding shortfall, this had led to the closure of basic services. Through the second SA, the oPt HF funded food security and livelihoods, shelter, and child...
protection and education projects in the West Bank. The evaluation team visited a livelihoods project that supported farmers who had suffered, or were vulnerable to, settler violence and destruction of productive assets and crops. The project rehabilitated access roads and provided targeted support based on individual assessments of farmer requirements to provide partial compensation for losses and damage, for example by providing replacement vines and olive trees where these had been destroyed. It also upgraded or provided new assets such as water sources, shades, and repaired boundary fences and walls. The scope of works was agreed with each farmer with a value of between $500 and $2,000. During FGDs, project beneficiaries expressed a high level of satisfaction with the relevance and timeliness of assistance provided. Notably, the assistance was provided in good time for the planting season.

6.2. Contributing to the provision of principled assistance

The provision of ‘timely, coordinated and principled assistance’ lies at the heart of the CBPF impact statement, and while the evaluation can draw on tangible evidence to determine issues of timeliness and coordination, an examination of principled assistance is more complex. It is important to note that for some of the principles, particularly those of independence and neutrality, it is not possible to examine CBPFs in isolation because they are linked inextricably to the wider response. Nevertheless, it is possible to make some specific judgments based on a mix of the primary and secondary evidence that the team collected. Table 4 below summarizes findings from the evaluation.

Table 4: The provision of principled humanitarian assistance by the IHF[140]

<table>
<thead>
<tr>
<th>Principle</th>
<th>Finding</th>
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<tr>
<td>Humanity</td>
<td>Across the case studies, there was evidence that CBPFs responded to urgent humanitarian needs. In particular, they responded to HRP Strategic Objectives that focused on saving lives (for example, the SSHF) and/or protecting the rights of affected populations (such as the oPt HF). The Afghanistan fund made a specific allocation to assist populations in hard-to-reach areas. Section 4.4 described how CBPFs have ought to identify those most in need, including marginalized groups. It also outlined how CBPFs take account of gender, age and disability and ensure AAP, all of which are required to ensure respect for human beings.</td>
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<tr>
<td>Impartiality</td>
<td>Humanitarian action must be carried out on the basis of need alone, giving priority to the most urgent cases of distress and making no distinctions on the basis of nationality, race, gender, religious belief, class or political opinions. Sections 4.1 and 4.4 of this report presented evidence on how CBPF prioritization and allocation processes target those most in need. However, the case studies highlighted that the humanitarian community as a whole often faces access and other challenges that make it difficult to provide impartial assistance. The case studies identified a range of barriers, such as the control and influence of non-state armed groups in Somalia, attempts by both the government and opposition forces to influence where aid agencies operate in South Sudan, and the overall complex political and militarized context in Afghanistan. In oPt, the sharp decline in humanitarian funding was a significant barrier to meeting humanitarian needs adequately, which undermines the principle of needs-based humanitarian assistance.</td>
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[140] An overview of the humanitarian principles is provided in the glossary of this report. The definitions used in the table are available at https://reliefweb.int/sites/reliefweb.int/files/resources/oom-humanitarianprinciples-eng-june12.pdf.
<table>
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<tr>
<th>Independence</th>
<th>Humanitarian action must be autonomous from the political, economic, military or other objectives that any actor may hold with regard to areas where humanitarian action is being implemented.</th>
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<td>Evidence from the case studies showed that local authorities and, in some cases, non-state armed groups often try to undermine the independence of humanitarian actors. These challenges extend well beyond CBPF-funded assistance. For example, in South Sudan, operational interference by local authorities posed a significant challenge. In oPt, barriers to the movement of aid workers and materials as well as attempts to delegitimize humanitarian actors have made it challenging for aid agencies to operate independently. In Iraq, aid agencies had to weigh up trade-offs between different principles in order to ensure the delivery of humanitarian assistance. In particular, they had to make difficult operational decisions about proximity to the military and, specifically, the use of military convoys and the delivery of services in camps that had a military presence. Although the challenges to independence are widespread, OCHA and HFUs can take steps to support aid agencies. For example, in South Sudan, OCHA had appointed a staff member to work with the government to address bureaucratic impediments, including operational interference. In Somalia, the fund had sought to address long-standing concerns about links between humanitarian assistance and economic activities through the use of rigorous capacity assessments and strengthened risk management and monitoring activities.</td>
<td></td>
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<tr>
<td>Neutrality</td>
<td>Humanitarian actors must not take sides in hostilities or engage in controversies of a political, racial, religious or ideological nature</td>
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<tr>
<td>Maintaining neutrality poses a challenge to the humanitarian community as a whole across a range of contexts, particularly where aid agencies are unable to operate in territory held by armed groups deemed to be terrorists (such as Somalia, Iraq and Syria) or where humanitarian actors are forced to choose between leaving affected communities without assistance and supporting questionable government positions or strategies. For example, in South Sudan, a study raised concerns that humanitarian assistance to Protection of Civilians sites had inadvertently supported the government’s strategy of ethnic cleansing and that humanitarian aid had been manipulated into supporting population movements that were part of government strategies. Similarly, in Ethiopia, the government returned IDPs to their places of origin, despite protests from the humanitarian community. The fund did not take a specific position but relied on the HCT, ICCG and AB to guide decisions about the humanitarian response. It also respected the decisions of individual partners if they chose not to distribute assistance under these circumstances. In Iraq, the proximity of aid agencies to peacekeeping forces and, in Afghanistan, the legacy of military-led aid and stabilization projects had undermined perceptions of the neutrality of humanitarian actors.</td>
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237. Based on the evidence outlined in Table 4 above, there was a general view across the case study contexts that the CBPFs do support principled humanitarian assistance, in particular humanity and impartiality.

238. All partners interviewed during the evaluation acknowledged the importance of humanitarian principles in theory, but it was more difficult to determine their application in practice, particularly among agencies working on the edges of territory held by opposition groups in countries such as Somalia and Afghanistan. Delivering humanitarian assistance in these complex contexts requires trade-offs and recent evaluations of humanitarian principles highlight the challenges that this poses for all members of the humanitarian community that engage with non-state armed groups. However, it is often NNGOs that are at the front lines of humanitarian response and hence are charged with the difficult task of putting principles into practice.

[141] USIP and ODI (2018) The Unintended Consequences of Humanitarian Aid in South Sudan: Headline findings, United State Institute of Peace and Overseas Development Institute

239. This evaluation acknowledges the challenges that NNGOs, in particular, faced in accessing and assisting communities on the edge of crises. These agencies are frequently overlooked and under-supported in terms of investment in adequate security infrastructure, resources for responsible risk management, and provision of security training. While there is an understandable motivation to drive overhead costs down, it is essential to balance this against the operational requirements for frontline humanitarian staff to be trained and supported to ensure that they can work safely and effectively.

[143] A number of agencies interviewed spoke of attacks on their staff or resources as well as broader challenges associated with working in close proximity to non-state armed groups.
7. Conclusions and recommendations

Based on the evidence presented in previous sections of the report, this section seeks to draw conclusions, including on whether CBPFs remain relevant for future humanitarian responses, and provides a number of recommendations to strengthen CBPFs.

7.1. Conclusions on the effectiveness of CBPFs in the past and present, and in maintaining their relevance for humanitarian response in the future

240. This evaluation (like the 2015 Global CBPF evaluation that preceded it) provides evidence of the important role that CBPFs play in providing a backbone for humanitarian response, by supporting the provision of timely, coordinated and principled assistance, in addition to the quiet revolution that they have been advancing more recently. Over the last decade, the humanitarian system has become ever more stretched; as each year has brought greater levels of need, humanitarian agencies have tried to keep pace but have struggled to access those in greatest need with timely and relevant assistance. While humanitarian funding has continued to increase in absolute terms, it has fallen well short of what is required by people who have been affected by crises, leaving under-funded gaps, unmet needs and large numbers who are out of reach. While the World Humanitarian Summit of 2016 brought an air of optimism and a suite of commitments, changes have taken time to take root.

CBPFs are fit for purpose to respond to the humanitarian crises of today – both in terms of funding neglected aspects of response, as well as providing life-saving assistance.

241. It is in this context of humanitarian needs that are increasing faster than funding that the CBPFs have found an important niche; over the last four years they have made an essential contribution to achieving one of the most important tenets of humanitarianism; that of meeting priority needs (through alignment with HRPs and by establishing systems for prioritizing and selecting the most relevant projects). In so doing, they have fostered closer collaboration between partners and strengthened leadership of the system. Successful CBPFs also rely on effective leadership from capable HCs, OCHA heads of office and fund managers. The case studies have shown that in times of crisis, when other funding sources have been unavailable or insufficient, CBPFs have been used consistently by HCs and partners to fill gaps and provide life-saving assistance in a variety of types of crises. While humanitarian ‘gap-filling’ is rarely a high-profile activity and tends not to steal the limelight, it is essential given the depth of need and limited resources that exist to fill it. It also makes an important contribution to making a difference to people’s lives. Research conducted during the evaluation, showed that the assistance provided by CBPFs was frequently considered to be timely and was often considered to be more timely than that of other donors.

CBPFs are also adaptable and able to accommodate changes in humanitarian priorities and program approaches.

242. CBPFs are enabling donors to deliver on their Grand Bargain commitments, particularly localization. They have led on changes in the humanitarian system, such as ensuring greater direct funding to NGOs and strengthening the diversity of CBPF governance and fund allocation processes to diversify the humanitarian ecosystem. They have also improved the capacity of NGOs to access and manage CBPF funding although strengthening their programmatic capacity (beyond providing funding to implement projects) lies outside OCHA’s area of expertise.

243. In addition, CBPFs are in the vanguard of promoting a focus on mainstreaming gender, protection and the needs of PwD and more practical issues such as harmonizing reporting requirements. They finance cash transfer programming where and when this is relevant and feasible, though they have not been proactive in promoting the use of cash. Some CBPFs have been responsive to the needs of affected communities by supporting multi-sector or integrated programming, in spite of the challenges of a siloed humanitarian system. Therefore, it is not surprising that the donor view of CBPFs as system changers was one of the main reasons they cited for channeling their funds through these mechanisms. However, there is a limit to the extent that a funding mechanism can deliver change because it relies on the rest of the humanitarian system to step up and ensure that changes are implemented.

244. The GMS has been a key tool for enabling CBPFs to take forward a progressive humanitarian change agenda. This is because it can deliver standard proposal and reporting formats that make partners reflect on cross-cutting issues
but can also be updated easily to reflect changing priorities. For example, it has promoted the IASC’s shift from the gender marker to the GAM and is enabling CBPFs to report on the numbers of PwD that they have assisted. The BI portal harvests data from the GMS to provide donors with an unparalleled degree of transparency and up-to-date information. What is impressive is that OCHA has developed this unique tool with minimal resources. However, the lack of adequate capacity within the CBPF-Section to develop the GMS further and maintain it is a serious risk to a tool that has enabled CBPFs to both adapt to, and influence, the humanitarian system.

245. Since the introduction of the Policy Instruction, Operational Handbook and global guidance in 2015, CBPFs have standardized to reflect good practice and lessons learned. The move to standardize management models, with OCHA taking on NGO grant management responsibilities from UNDP in order to improve risk management and efficiency, is also widely regarded as very positive. However, the findings show that the funds can still adapt to specific country contexts and can sometimes fill a specialized niche (such as the Lebanon fund, with its focus on people with special needs). This helps them to remain relevant to diverse humanitarian contexts.

**OCHA has invested in its management and support of the funds by strengthening the HFUs and establishing rigorous compliance and risk management procedures.**

246. CBPFs have not achieved a high level of progress and success by chance but due to OCHA’s investment in strengthening them, largely through a systematic process of improved headquarters-level support, guidance, procedures and risk management. At field level, OCHA has invested in increasing the capacity and skills of HFUs. While the variation in the size of individual CBPFs and the contexts in which they operate has stretched the boundaries of global guidance to its limits, it remains broadly fit for purpose. This is impressive given that, in 2018, CBPFs ranged from a $7 million fund in Pakistan to a $209 million fund in Yemen.

247. The evaluation documented consistently positive feedback about CBPF risk management, with donors comparing CBPF/OCHA to its sister UN agencies in extremely favorable terms. It is inevitable that successful risk management in the complex contexts where CBPFs operate has resulted in an increase in compliance cases, particularly as OCHA has made improvements in identifying, investigating and addressing risk. Therefore, it is critical that OCHA not only maintains its capacity to manage risk and compliance but also further strengthens it to cope with the additional workload that will arise from the transition of the MA function and the establishment of new funds or further growth in existing funds. Otherwise, it will be carrying a significant reputational risk.

**The increase in the size of the CBPFs, and the complexity of the contexts in which they are used, means that they remain fragile and there continues to be a need for OCHA to nurture and support them to ensure that they are fit for purpose today and future-ready.**

248. The evaluation’s very positive findings do not mean that there is no scope or need for CBPFs to evolve further. At headquarters level, there is a need to articulate more clearly the ambitions for CBPFs that reflect their growth and influence and the further aspiration for them to channel 15 per cent of HRP funding. This requires a much clearer vision, purpose, route map and resource plan. There is also a need to ensure adequate management for funds that totaled $950 million in 2018. This includes ensuring that the CBPF-Section and HFUs are consistently adequately resourced, that surge staff are available and that staff with the right skills and profile are recruited in a timely way. There is considerable scope to strengthen communication on OCHA-managed pooled funding, both CERF and CBPFs, in addition to assisting HCs, OCHA staff and partners to understand how the funds can best work together in a complementary way in order to deliver results more effectively for affected populations. The lessons, reflections, knowledge and resources identified through this evaluation must be organized and offered back to HFUs in order to strengthen start-up, ongoing operations, problem solving, and fund closures.

249. CBPFs have made considerable progress in attempting to meet donor demands for results reporting. Nevertheless (or perhaps because of this) donor appetite for a better understanding of how CBPFs contribute to improving humanitarian response and making a difference to people’s lives continues to grow, particularly in the absence of similar reporting from other partners. The system-wide lack of progress in assessing the delivery of collective outcomes as outlined in HRPs makes it all the harder to evidence how CBPFs have contributed to outcome-level change. This highlights the need for donors to understand that CBPFs are embedded in, and reliant on, the broader humanitarian system. They can only evidence their contribution to achievements when the system as a whole agrees on how it will measure
outcomes and changes to people’s lives. In the meantime, CBPFs need to agree on a realistically measurable set of proposed results with donors.

**CBPFs need to learn lessons about how they can anticipate and prepare for crises, alongside re-asserting their humanitarian mandate to ensure they are not stretched beyond what they are able to deliver.**

250. The perception across a range of stakeholders that CBPFs can and do play an important role in humanitarian response has generated strong support for them. As a consequence of this, some of the medium-to-large sized CBPFs have come under pressure to fill gaps in the broader aid architecture. In all the case study contexts, aid agencies faced a challenge with finding development funding that could operate in complex conflict contexts and build the resilience of crisis-affected communities. Since development funding tends to go directly to government, UN agency and/or NGO partners, without the types of tracking mechanisms and coordination structures that are found in the humanitarian system, HCs, cluster coordinators and other actors tend to have a limited overview of development funding. This makes it harder to ensure that humanitarian funding segues into longer-term development. However, it is important to recognize that the failure to make progress on the New Way of Working, reforming the longer-term aid architecture and delivering practical financing solutions in protracted crises is not the responsibility of CBPFs; rather, it is a significant hindrance to their operation. Therefore, donors were generally clear that CBPFs should not have to make up for these failures and should remain focused on humanitarian response.

251. Section 4.1 provided examples of CBPFs funding preparedness activities in conflict settings in Iraq and Yemen. These highlighted the challenges of predicting the impact of conflict on population displacements and humanitarian needs because of the complex range of evidence that has to be collated for informed decision-making. They also demonstrate the difficulties of balancing a response to existing unmet humanitarian needs on one hand and putting in place measures to meet and/or reduce expected humanitarian needs on the other. The humanitarian community as a whole is making greater progress on forecasting rapid onset natural disasters and also responding earlier to evidence on slow onset natural disasters, particularly drought. Sections 4.1 and 6.1 provided examples of how CBPFs have supported early or catalytic action in response to droughts in Somalia and Afghanistan. The Somalia fund is also a good example of how CBPFs can promote more sustainable approaches to humanitarian response in a protracted crisis without straying away from their mandate and into financing resilience-building activities.

252. Based on examples such as Iraq and Yemen, there is potential to strengthen an understanding of the conditions under which a fund could/should contribute to preparedness and early action. As pressure on humanitarian partners to deliver more complex programming models increases, there is also a need for individual funds to take greater control of their own destiny by articulating a clearer vision of what contextually-relevant response delivered through the best-placed partners could/should look like, which draws on the diverse governance of the funds and which can seek to build greater consensus on delivery. This includes understanding trade-offs between the speed of allocation processes (which has improved significantly over the evaluation period) and the time required to develop and vet quality-oriented programming that addresses cross-cutting issues adequately.

**It will be by maintaining a focus on the delivery of principled humanitarian assistance, while using the flexibility that has been hard-wired into the funds, that the CBPFs will be effective today and maintain their relevance in the future.**

253. In conclusion, this evaluation finds that despite the changes that are occurring in how the humanitarian system organizes itself, CBPFs continue to play an essential role in contributing to the alleviation of the most urgent humanitarian needs. While the funds are themselves no longer new or novel, they offer an important bridge to the humanitarian system that will be required in the future. It is therefore essential that, rather than looking to the CBPFs to stretch beyond what they can bear, greater emphasis must also be placed on putting the other pieces of the ‘aid’ jigsaw in place so that they are able to take a greater part of the strain that is currently being shouldered by the CBPFs.
7.2. Recommendations

254. Based on the evaluation findings and conclusions outlined above, the table below proposes a number of recommendations to help strengthen the functioning of CBPFs.

<table>
<thead>
<tr>
<th>#1</th>
<th>Strategic leadership of Pooled Fund Management</th>
<th>IMPORTANT</th>
</tr>
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<tbody>
<tr>
<td>Problem statement</td>
<td>While OCHA’s change process addressed coherence in the management of pooled funding, CBPFs and CERF continue largely to co-exist rather than cohere and there is considerable scope for OCHA to strengthen commonalities at both strategic and operational levels.</td>
<td></td>
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<tr>
<td>Recommendation</td>
<td>Outline a common vision and strategy for CBPFs and CERF that maximizes effectiveness, reaffirms their role in the humanitarian financing architecture and sets out a clear path for the achievement of their expanded funding targets.</td>
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</tbody>
</table>
| Recommended actions | 1. Identify policy and operational aspects of the two funding mechanisms that would benefit from a harmonized approach. The purpose of this should be to strengthen the coherence and effectiveness of pooled funding in delivering results for affected communities, rather than finding efficiencies, as headquarters capacity to support CBPFs is already stretched (see recommendation #3).  
2. Strengthen complementarity between CBPFs and CERF at a country-level through the issuance of revised guidance and dissemination of good practice. This should include a consistent approach to reporting beneficiary and other quantitative data. | |
| Responsible | 1, 2 – Pooled Fund Management Branch | |

<table>
<thead>
<tr>
<th>#2</th>
<th>Revise guidance and promote good practice</th>
<th>IMPORTANT</th>
</tr>
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<tbody>
<tr>
<td>Problem statement</td>
<td>CBPFs exist in a dynamic humanitarian context and have themselves changed as they have sought to deliver effective assistance. These changes in humanitarian policy and CBPF practice offer important opportunities to strengthen guidance and promote good practice.</td>
<td></td>
</tr>
<tr>
<td>Recommendation</td>
<td>Revise global guidance and promote good practice to strengthen CBPF performance.</td>
<td></td>
</tr>
</tbody>
</table>
| Recommended actions | 1. Revise the Operational Impact Model in the current Policy Instruction to ensure more realistically measurable outcomes.  
2. Review the Operational Handbook to ensure that it addresses cross-cutting issues adequately (noting that gender & AAP are addressed, but disability and protection are less visible).  
3. Prepare good practice notes for the following aspects of the CBPFs  
   • Identify and collate lessons from the Yemen Humanitarian Fund (YHF) on the contextualization of the global guidance for large funds with a view to documenting good practice.  
   • How, under what circumstances, and in what contexts (e.g. conflict, drought etc.) CBPFs should consider preparedness allocations.  
   • The use of CBPFs to incentivize and promote integrated or multi-sector programs.  
   • The use of multi-year CBPF projects to respond to protracted crises.  
   • Effective approaches to training or capacity building to promote NNGOs as ‘best placed partners.’ | |
| Responsible | 1, 2, 3 – CBPF Section, 3 – CBPF Section and YHF Fund Manager | |

[144] Annex 13 provides a summary of findings and conclusions with links to relevant recommendations by evaluation question and sub-question.
### #3 Global support

**Problem statement**
CBPFs have grown considerably over the evaluation period. Although fund management capacity has increased at country level, there are often critical gaps. At headquarters level, capacity has stagnated, making it difficult to provide HFUs with the strategic and operational support that they need to function effectively.

**Recommendation**
OCHA, and the CBPF-Section specifically, should ensure it has the human resources capacity to meet the current needs of CBPFs (including for the four funds that are transitioning from UNDP) in addition to being future-proofed to ensure high quality support as the funds grow to meet the expanded funding target.

**Recommended actions**
1. Ensure the CBPF-Section has adequate capacity to revise, draft and disseminate policies such as those outlined in recommendation 2.
2. Create a standby team for field deployment to CBPFs of two staff members (with the potential to support policy development and associated tasks, as outlined above, between deployments)
3. Make better use of the ASP roster to recruit staff with the necessary skills and profile to fill gaps and ensure surge capacity
4. Develop HR metrics to monitor CBPF (HFU and CBPF-Section) staffing, including the timeliness of recruitment, retention and vacancy rates, for review on a quarterly basis.
5. Develop a CBPF start-up/close-out toolkit including tools and templates.

**Responsible**
1 – OCHA Senior Management, 2, 3, 4 – OCHA Senior Management, HR Section, 5 – CBPF-Section

### #4 Resource mobilization

**Problem statement**
While funding for CBPFs has increased over time, the evaluation found that CBPF resource mobilization aspirations and responsibilities lacked clarity. There is also no coherent strategy to galvanize collective resource mobilization efforts at field and headquarters levels.

**Recommendation**
Develop a global level strategy to achieve the expanded 15 per cent funding target that outlines a coherent approach to resource mobilization. At a fund-level, ensure that OCHA country office resource mobilization strategies include a clear set of actions in order to ensure coordination and to strengthen accountability for resource mobilization.

**Recommended actions**
1. Develop a comprehensive resource mobilization approach at global level in support of the expanded funding target. This should cut across country and institutional boundaries and clarifies responsibilities and communications between OCHA country offices, HCs and OCHA's Donor Relations Section (DRS).
2. Develop a clear set of action points in OCHA country office resource mobilization strategies that outline aspirations for scale, donor targets and an approach that draws on the capacities of AB members (particularly donors).

**Responsible**
1 – to be led by DRS, 2 – OCHA country offices in coordination with HCs, ABs and DRS
## #5 Risk management and monitoring

| Problem statement | While donors regard OCHA’s risk management mechanisms for CBPFs as robust, their trust could be undermined easily. OCHA must continue to ensure that it provides high quality support and guidance on risk management from headquarters level, particularly in areas where responsibilities are unclear and require clarification, or where capacity is insufficient and needs to be strengthened. |
| Recommendation | The CBPF-Section should continue to strengthen its capacity and guidance to address headquarters and fund-level risks. It is essential that any changes take adequate account of the forthcoming transition in MA responsibilities as well as the aspirations for the expansion of the funds. |
| Recommended actions | 1. Given the scale of the funds, the risks that they face at both headquarters and field levels and the associated need to manage these effectively, the CBPF-Section should develop a headquarters-level risk management framework that identifies and seeks to manage key risks that have been identified during the evaluation. This includes a lack of adequate capacity in the Section for maintaining and developing the GMS to respond to future needs.  
2. CBPF global guidance makes it clear that HFUs should work with clusters to monitor CBPF program quality. However, cluster coordinators have different interpretations of their role and different levels of resources/capacity to undertake monitoring, which is a key risk. While this is a system-level constraint, it has important implications for the CBPFs, which will need to be managed.  
3. Ensure that the OCFMU’s plans to strengthen its capacity to provide leadership on compliance issues (particularly forensic audits), and the proposal to strengthen the capacity of HFUs, are implemented. |
| Responsible | 1 – CBPF Section Chief, 2 – OCHA and Cluster Lead Agencies, 3 – OCFMU and OCHA. |

## #6 Fund leadership

| Problem statement | CBPFs have been effective in shaping the humanitarian system and so are called upon to promote a growing range of cross-cutting issues and Grand Bargain priorities. While this is a sign of their success, it also presents risks as funds become over-burdened with expectations of what they can do. These challenges can become acute when the broader humanitarian system is unable to play its full role in delivering fund processes. |
| Recommendation | The AB, led by the HC, should play a more significant role in articulating a strategic vision for each CBPF that outlines priorities for action and moderates expectations of what the fund is able to achieve to ensure that it is commensurate with humanitarian coordination and partner delivery capacity. |
| Recommended actions | Fund-level strategies should be light but, at a minimum, cover the following issues:  
1. Parameters for efforts to support localization;  
2. Level of ambition for inclusion of cross-cutting issues (gender, diversity, AAP, protection) and how these will be supported;  
3. An approach to strengthening the sustainability of project outputs, and;  
4. Means of strengthening complementarity with CERF. |
| Responsible | 1, 2, 3, 4 – AB and HC |