I. OVERVIEW

- Please find below a summary of the Synthesis Report of the Evaluation of the Common Humanitarian Fund prepared by PDSB. The summary highlights main findings, recommendations & next steps.
- The purpose of this evaluation is to provide evidence of operational effectiveness to date as a basis for improved priority-setting and future performance. The evaluation reviewed the processes, outcomes, operational effects and operational impacts of the CHF's, focussing in particular on the progress made since the last evaluation in 2007.
- We recommend that you read the entire Synthesis Report and the country reports (Central African Republic, Sudan and Democratic Republic of the Congo). Click here to read the reports: http://www.unocha.org/what-we-do/policy/thematic-areas/evaluations-of-humanitarian-response/reports

II. MAIN FINDINGS

1. Operational Impact (Page 16): The CHF has indeed ‘contributed to improvements in the humanitarian community’s ability to address critical humanitarian needs in a timely and effective manner. For donors the CHF has offered great savings on transaction costs, and has enabled them both to support humanitarian efforts in countries in which they might not be able to operate, and to reach a far greater range of actors, especially local NGOs, than would be possible through normal bilateral funding. The CHF has had a more mixed impact on the cluster system: more agencies have become involved with clusters, but the competition for CHF funding often poses major challenges for cluster leads and co-leads, and the transfer of CHF allocation responsibilities to clusters has not yet been matched by a commensurate transfer of human and financial resources to enable them to discharge these responsibilities.

2. Operational Effectiveness (Page 20): The CHF is seen as most effective when allocated directly to an operational agency, and it is less easy to track its effectiveness when the same funding is channeled, or ‘passed through’ another UN agency or INGO. In all three countries there have been significant improvements made to the allocation and disbursement of grants since 2007. Through structures like the Advisory Boards there is improved complementarity and coherence between donors (including donors not funding the CHF). While the CHF has required individual clusters to prioritize, overall prioritization between clusters is still problematic and requires strong humanitarian leadership.

3. Relevance, Appropriateness, and Quality (Page 23): Clusters are still seen as dominated by their lead UN Agency, and NGOs still feel that allocations of the CHF favour both these cluster leads and a small number of large INGOs. Greater attention to sustainability is needed where the same needs come up for funding every year. The lack of monitoring remains the critical weakness of the CHF.

4. Efficiency (Page 26): The CHF is seen by most recipients as an accessible, efficient, and relatively flexible fund. However there is a mismatch between growing understanding of, and expectations about, the CHF from the different clusters and recipient agencies on the one hand, and a decline in actual donor contributions to the CHF on the other.

III. MAIN RECOMMENDATIONS

1. Recommendation to Donors: (Page 32)
   - Donors should wherever possible make multi-year commitments to the CHF in each country so that the allocation process is not held up by uncertainty about the resources available, and the CHF can exceptionally make some grants for longer than just one year.
   - To assist planning donors should allocate funds for annual grants before the start of the calendar year.
   - Donors to the CHF should reserve a portion of their budget to support the cluster coordinator and co-facilitator functions, given the heavy reliance of the CHF allocation process on the clusters.

2. Recommendation to OCHA, UNCT and HC: (Page 33)
• OCHA needs to make the successful management of funds like the CHF a far higher corporate priority.
• There is a need for far closer co-ordination between the different funds, and more ‘referrals’ so that projects that do not meet the criteria for the CHF can be recommended to funds concerned with recovery and stabilisation issues.
• OCHA’s own fund management costs in each country should be covered by a percentage levy on the fund.
• We accept that monitoring requirements should be kept ‘light’ but we recommend that monitoring requirements should be agreed across each cluster, and should be the same for all categories of partners. The performance of CHF recipients, both strong and weak, should affect future eligibility for CHF funding.
• OCHA should therefore establish an adequately-staffed monitoring unit to coordinate self-monitoring and reporting by all grantees, and external monitoring by the sector leads.
• The CHF Administrative Boards should allocate a percentage of CHF funding to support monitoring by the clusters/sectors, and OCHA should have sufficient senior staff in each country to co-ordinate this monitoring with the clusters and ensure that the results feed into future funding allocations.

3. Recommendation regarding the Management Agent Role (page 33)
• In Sudan UNDP is currently charging 7% for indirect support costs for NGO grants, (5% in DRC) but is not providing a full service. UNDP in Sudan should therefore immediately reduce the Management Agent fee to a level which approximates its real costs, and the money thus saved should be used to improve monitoring throughout the CHF.
• CHF allocations should therefore be for a maximum of 12 months from the payment of the first installment.
• UNDP rules have been amended to offer the option only requiring one audit certificate for the life of the project rather than one per calendar year. UNDP should apply this requirement to CHF projects so that only one audit certificate is needed for a 12 month project even if it spans two calendar years.

IV. FOLLOW UP AND MANAGEMENT RESPONSE
According to existing procedures the following dissemination strategy for the CHF evaluation is being proposed:
• EGS posts the CHF report on the EGS OCHA Online Website (the file size of the synthesis report, the country reports and the comments matrix is too large to be sent via email)
• ERC sends email to SMT and informs SMT on evaluation results, the links to evaluation report and requests follow up according to our “follow-up” procedures
• ERC sends email to stakeholders: HC’s of the country’s where CHF was carried out and to Advisory Group
• ERC sends email to ODSG as some of the recommendations are addressed to donors
• EGS posts evaluation reports on ALNAP

Management response plans at the global and national level need to be elaborated in collaboration with main partners concerned.