



# **Evaluation of Dutch Humanitarian Assistance 2009-2014: Support to the South Sudan Common Humanitarian Fund**

CASE STUDY FOR EVALUATION OF  
DUTCH HUMANITARIAN ASSISTANCE 2009-2014

FEBRUARY 2015

This study was commissioned by the Policy and Operations Evaluation Department (IOB), Netherlands Ministry of Foreign Affairs. The views and opinions expressed in this report are those of the author.

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## Executive summary

### Background to the study

This South Sudan case study is one of three country case studies which form a core element of a scheduled review of Dutch humanitarian policy. The primary emphasis of the South Sudan case study is evaluating the efficiency and effectiveness of the common humanitarian fund (CHF) in South Sudan and the extent to which Dutch humanitarian policy objectives were realised through support to the CHF. The study also considers a broader range of Dutch humanitarian and development investments and engagement in South Sudan in order to situate the contribution of Dutch investments via the CHF within Dutch humanitarian policy commitments overall.

The Dutch government has maintained a long-running diplomatic, development and humanitarian engagement in South Sudan. Sudan and later South Sudan were designated priority countries for the Netherlands under the Dutch Fragile States policy and the Dutch government supports a 'whole-of-government' approach to its engagement. The Dutch commitment to an integrated approach is reflected in Dutch support to political processes with a range of diplomatic, security and financial tools, alongside complementary development and humanitarian investments.

The Dutch government's humanitarian aid contributions to South Sudan are spread across an array of unearmarked contributions to multilateral agencies and funds and bilateral contributions determined by the Humanitarian Department in The Hague. Dutch bilateral humanitarian aid contributions to the South Sudan crisis have historically been dominated by contributions to the CHF, consistent with Dutch policy commitments to support multilateral systems and approaches and in particular with the Dutch commitment to support UN-led humanitarian reforms.

The first pilot CHF envisaged supporting Good Humanitarian Donorship (GHD) commitments to provide rapid and flexible needs-based funding. But the intention was also to support UN Humanitarian Reform efforts towards improved coordination and coverage including through a strengthened Humanitarian Coordinator. The Dutch government has been a consistent supporter and advocate for the CHF since their inception.

Prior to secession in 2011, South Sudan was treated as a regional window under the Sudan-wide CHF. A separate pooled fund for South Sudan was created in February 2012 to address priority humanitarian needs; coordinate with donors outside the CHF to ensure coherence and effective coverage; ensure 'transparent and robust monitoring of project implementation'; and treat all partners equally and to take steps to enable national organisations to access the fund. Dutch contributions to the CHF have fluctuated significantly during the study period, but have remained responsive to increasing levels of needs by drawing on a variety of alternative sources of funding to increase contributions at times of elevated need.

### Key findings on the performance of the CHF

***Dutch funds channelled via the CHF have made a significant contribution to a better coordinated and more efficient response.*** The CHF in South Sudan has overall delivered expected results in terms of improved coordination when considered in the context of a range of co-existing instruments and reforms supporting coordinated humanitarian action – including a strengthened cluster system, improvements to the UN coordinated appeals process and improved needs assessments and

baseline information. The CHF delivers a more effective response through its role in supporting coordinated response plans to both predictable and unforeseen needs. In particular, the CHF in South Sudan has served a critical gap-filling function throughout the study period, preventing ruptures in core humanitarian pipelines, bridging funding gaps in basic service provision and providing vital financing support to under-funded clusters. The CHF in South Sudan has also played an important role in 'remaking the culture' of humanitarian action, whereby active participation in coordinated plans and processes appears to have become habitual, irrespective of potential financial rewards.

***The CHF has adapted and tailored its response in line with the changing characteristics of the context and the crisis, with notable effectiveness in relation to the crisis in 2014.*** The CHF has responded effectively to rapid increases in humanitarian needs in the last three years, in particular through the judicious use of reserve and standard allocations, complementing other sources of surge funding and particularly the CERF. In 2014, the CHF was the first major donor to allocate funds to the crisis and allocations were noted as being effectively targeted – supporting pipelines and larger agencies with the capacity to respond at scale – in order to facilitate rapid scale-up. In this major test, the CHF successfully shifted gear from a 'gap-filling' and 'top-up-funding' modus operandi to a much more strategic, rapid and flexible approach. The CHF also played an important role in 2014 in creating incentives to mobilise coordinated response in some of the most difficult areas through supporting rapid response mechanisms.

***The overall ability of the CHF to provide a timely response is curtailed by the lack of timely donor contributions.*** Humanitarian operations in South Sudan are dogged by acute logistical challenges: the very poor transport infrastructure, seasonal flooding and deteriorating road conditions and seasonal windows for planting of staple crops mean that pre-positioning of bulky relief supplies must take place in the dry season. Late donor contributions to the fund significantly disrupt allocation cycles and fund disbursements, making it more difficult for partners to respond to needs in a timely and efficient manner.

***The CHF has made significant progress in enabling partners to access funding on a more level playing field, but the quality of funding remains problematic.*** The funding received by both international and national NGOs has increased during the study period and the CHF has proved an important gateway to international funding for national NGOs. The quality of CHF funding from the perspective of recipients is problematic, however: while the CHF may provide access to funding to meet priority needs, funding is unpredictable, is often not timely and may not cover the full costs of response. Indeed, many recipients consider CHF funds as 'top-up' funding to supplement what is provided by other donors, which may be more predictable, flexible and responsive. In order to support partners effectively, a range of financing support mechanisms is necessary.

***The efficiency of the CHF is limited by slow and inflexible allocation and disbursement processes and the cost efficiency of responses financed via the CHF is poorly understood.*** While considerable improvements have been made, the consultative nature of the standard allocation process inevitably means that it is lengthy – 56 days in 2013 – and contracting processes and fund disbursements are slow and inflexible. While the CHF has sought to encourage cost-efficiency in the cluster prioritisation processes, there is a lack of knowledge and guidance to enable them to do this effectively. The cost-efficiency of pass-through funding from the perspective of recipient

organisations is also not well understood. If legitimate costs are indeed displaced onto other financing sources, this ought to be better understood and practical steps taken to manage this fairly and efficiently.

**Accountability remains a limitation.** OCHA has ramped up the M&E capabilities of the fund considerably since the creation of a separate CHF for South Sudan, but at the most fundamental level it is not possible to assess whether investments via the CHF have been effective and evidence on results is largely unverified and not sufficiently contextualised to facilitate analysis. Moreover, OCHA is not required nor resourced to provide more than monitoring and collation of results. Greater clarity of expectations for providing evidence on results and outcomes is needed from donors, and if the current outputs are considered unsatisfactory a far greater financial investment in accountability will be required.

### Key findings on Dutch support to humanitarian response in South Sudan

**Dutch financial contributions to the crisis overall have been consistently responsive to changing needs.** Dutch contributions to the CHF have fluctuated significantly during the study period, but have remained responsive to increasing levels of needs by drawing on a variety of alternative sources of funding to increase contributions at times of elevated needs, notably in 2014. The creation of the Relief Fund in 2014 provides a necessary increase in the predictability of access to surge funding. Dutch bilateral support to the Care SERELIR project was flexible and accommodating to requests to re-programme in response to changing needs.

**The lack of timeliness of Dutch contributions to the CHF have significantly impacted on overall effectiveness and efficiency of investments.** Dutch contributions to the CHF have frequently been out of step with the allocation and disbursement timelines of the CHF owing to legal and administrative challenges within Dutch government systems. The Dutch government has indicated that it has now reached an understanding with UNDP that will enable earlier contributions; indeed, in 2014 the Dutch contribution was much timelier, being received in May in time for the second standard allocation.

**Dutch overall capacity policy and advocacy engagement on political issues impacting humanitarian action was considered to be robust.** Donors in particular noted that the Dutch have a comparative advantage in having a full Embassy in Juba from which they can engage on political issues, and the Dutch were perceived to be willing to take a strong position on difficult issues. The ability of the Dutch government to engage at country level to support principled humanitarian action – including access to affected populations, protection of civilians and humanitarian policy – on a consistent basis is however limited, since Embassy staff are time constrained, balancing their primary development portfolio responsibilities with additional humanitarian duties, and they are often not experienced in humanitarian affairs or regularly apprised of global-level humanitarian policy debates and issues.

**The capacity of the Dutch government to meet its various policy commitments was noted as not adequate to fulfil its policy ambitions.** Foremost, limited staffing compels the Dutch government to minimise the number of partnerships it can sustain and limits the extent of engagement at the level of policy. Staffing levels in the Humanitarian Division are not adequate to permit rigorous evidence-

based decision-making processes, regular systematic monitoring of partners or consistent engagement in humanitarian policy discussions and advocacy to support principled humanitarian action at the country level. In addition, capacity at the Embassy to provide consistent engagement in humanitarian policy discussions and managing relationships with partners is limited.

***Restricted use of funding channels influences the Dutch government's ability to meet the full range of its policy commitments.*** Evaluations of the CHF have pointed to the need to maintain funding outside of the CHF to support non-participating agencies and geographical areas, as well as programming which requires greater predictability and multi-sectoral approaches. Complementary financing approaches which include more predictable and flexible financing would assist in meeting GHD commitments. Although there is support for programmes on food security and livelihoods under the development budget, the functional links between humanitarian concerns and the Dutch government's development and security capabilities and investments are not optimally configured. Support to activities addressing resilience and disaster risk management, not supported within the mandate of the CHF, would help to meet Dutch internal policy commitments to resilience. These gaps are not currently sufficiently addressed with the new Strategic Partnerships, which are small in scale, or by the new NGO joint appeal, which is short-term in nature.

***The relationship between humanitarian and development funding streams and institutions could be improved considerably.*** There is a lack of clarity in terms of expectations and responsibilities for Embassy staff to feed into decision-making and to monitor partners funded through the humanitarian budget. In addition, there is a lack of coordination across humanitarian and development prioritisation and decision-making which limits opportunities to advance shared policy objectives, notably around resilience and support to transition and durable solutions. This may stem from an anxiety about being seen to potentially contaminate principled humanitarian action with priorities from the Dutch coherent approach. While this is an important consideration, it need not preclude information-sharing and debate, particularly on activities which fall within the realms of transition or resilience and which necessarily therefore traverse the conceptual humanitarian–development divide.

## Recommendations

***Ensure contributions to the CHF respect the needs of the context and the allocation schedules of the fund.*** Historically, responsiveness to the context has been inhibited by difficulties in disbursing funds in accordance with the CHF allocation timetable. Progress has reportedly been made on this issue, but vigilance should be maintained to ensure that administrative hurdles do not interfere with the timeliness of critical Dutch humanitarian investments.

***Invest in staffing levels and capacity.*** Investing in staffing capacity in the Humanitarian Division in The Hague and training Embassy staff on humanitarian issues are widely acknowledged areas in need of additional support and investment in order to meet Dutch humanitarian policy commitments, particularly in light of recent ambitions to support a wider range of partners and given the increased emphasis on humanitarian support to South Sudan within the Dutch portfolio.

***Clarify minimum workable accountability requirements and expectations with the CHF.*** Donors collectively may benefit from reflecting on their essential accountability information requirements and discussing with OCHA how to better reflect these in current reporting outputs. This could



include supplying donors with human interest stories and making adjustments to cluster-level analysis in annual reports to better contextualise results for the reader.

***Investigate the appetite for and feasibility of an independent monitoring service.*** An independent monitoring entity servicing the whole coordinated response, not just the CHF, could be an appropriate way of bridging a long-standing accountability deficit for the wider humanitarian community. Achieving such a service would require considerable leadership, financial commitment from donors and clarity on what types of evidence donors need, and of course what types of evidence and feedback loops would provide the greatest impact in improving the collective response.

***Encourage OCHA and CHF donors to investigate the cost-efficiencies of CHF processes.*** There are a number of outstanding questions in relation to the cost-efficiency of financing channelled via the CHF, including the cost of pass-through funding and the adequacy of support costs, which are worthy of further investigation. This issue could be raised through the OCHA donor support group and CHF advisory group.

***Expand the range of partnership models and options beyond the current emphasis on the CHF.*** Further internal reflection on the purpose and optimal approach to increased bilateral support to NGOs is necessary, in particular consideration of the expanded use of the strategic partnership model, which would provide predictability and flexibility from the perspective of funding recipients and could also potentially help to enhance flexibility and improve links between humanitarian and development investments.

***Improve complementarity and synergies between humanitarian and development investments through joint analysis and information-sharing.*** The Dutch government might usefully consider an approach to joint analysis and planning in the development of the new MASP in order to facilitate better linkages and synergies across investments from the humanitarian and development budgets.

## Acknowledgements

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### 1. Introduction

This South Sudan case study is one of three country case studies – along with Syria and Ethiopia – which form a core element of a scheduled review of Dutch humanitarian policy commissioned by the evaluation department (IOB) of the Dutch Ministry of Foreign Affairs.

The following section describes the contribution of the South Sudan case study to the overall evaluation, the central research questions and the methodology, approach and challenges encountered.

#### 1.1. Objective and central questions

The South Sudan case study seeks to address questions identified by IOB on the **effectiveness** and **efficiency** of programming choices, with additional contributions to higher-level evaluation questions on the **relevance** of decisions and outcomes.

The South Sudan case study addresses in particular Dutch contributions to promoting coordination and the UN's central role in humanitarian assistance, and considers whether the decision to channel Dutch humanitarian assistance through UN organisations met expectations of increased efficiency, improved leadership and coordination and a more needs-driven response.

The primary emphasis of the South Sudan case study is on evaluating the efficiency and effectiveness of the Common Humanitarian Fund (CHF) in South Sudan with a view to analysing whether and how Dutch humanitarian objectives were realised through CHF funding.

In addition, the study considers a range of other Dutch humanitarian and development investments and engagement in South Sudan in order to situate the contribution of Dutch investments via the CHF to Dutch humanitarian policy commitments overall.

## 1.2. Scope and limitations

The study was originally envisaged as addressing the time period 2009–2013. However, in the planning stages it was agreed to extend the scope to include 2014 in order to reflect on the implementation of recent policy changes at the global level and the efficiency and effectiveness of the response in relation to major changes in the scale and character of the South Sudan crisis, and in particular in order to consider the effectiveness of the use of Transformative Agenda protocols for Level 3 emergencies.

In practical terms, the study focuses on the CHF and to a lesser extent considers this in the context of Dutch bilateral support to one particular project, the Care SERELIR II project, which ran from 2011–2013, with two subsequent extension up to the end of February 2014. The Dutch government also supported projects by Cordaid and Medair during the review period, but their principal implementation periods were before the review period, with projects ending in 2009, and so these two projects were not included in the review.

Unearmarked contributions to multilateral agencies working in South Sudan were also not included in the scope of the research, nor were contributions to the Dutch Red Cross, though these are described below in order to situation Dutch bilateral contributions in the full context of Dutch financial contributions. Dutch contributions to the UN's Central Emergency Response Fund are also considered to a limited extent.

Limitations were envisaged and managed as follows:

**Availability and quality of evidence.** Prior to secession in mid-2011, funding allocations and programmes were often aggregated with Sudan-wide funding allocations and programmes. Tracking funding allocation patterns in South Sudan and attributing results and outcomes prior to 2012 therefore is often not possible. For this reason, CHF processes are described across the whole study period from 2009, but analysis of allocation patterns and decision-making in relation to needs focuses on 2012, 2013 and the first half of 2014, when funding can be clearly disaggregated and decision-making is documented.

Evidence around the rationale for historic funding decisions proved difficult to locate owing to staff turnover in the Humanitarian Division in The Hague. Many gaps exist in the discussion concerning the process and justification for annual funding decisions.

**Complementarity with the overarching policy review.** Multiple teams and individuals are engaged to deliver elements of the overall evaluation. In order to ensure that elements are complementary and contribute to the overall purpose and research priorities of the policy review plans, findings and challenges encountered were shared periodically between the HPG team, IOB and Humanitarian Outcomes.

**Attribution and impact.** With respect to CHF-funded activities, attributing results is highly problematic. CHF funds are typically combined with funding from other sources to finance projects, which means that CHF funds *contribute* to results and outcomes but these cannot in many cases be practically attributed back to CHF contributions. Similarly, determining the relative importance of CHF contributions in enabling timely, predictable and flexible responses is problematic where the CHF is co-financing an intervention. The study sought to collect evidence on the relative

contributions and qualities of CHF funding from the perspective of funding recipients, and also attempted to collate available evidence on results funded through the CHF, highlighting the limitations of the evidence base. There is in truth no evidence demonstrating the outcomes of activities funded through the CHF and the best available evidence focuses on output-level results.

### 1.3. Methodology and approach

The evaluation used a mixed-methods approach to collect evidence and information. Most of the evidence collected is qualitative, with the addition of quantitative information in the form of financial data and data on allocation and disbursement timelines.

**Literature review.** A review of policy and strategy documents, agreements with partners, partners' annual plans and reports, evaluation and review reports and literature on the humanitarian context and humanitarian needs was undertaken at the outset of the research. Literature contributing evidence to the evaluation of the performance of the CHF was reviewed against an adapted systematic literature review framework. The review describes the methodology and quality of evidence and summarises key evidence, observations and recommendations relevant to the evaluation questions. The literature review helps to ensure the transparency and traceability of evidence used to draw conclusions and feeds directly into the evidence-assessment framework, which collates evidence from the literature review, survey and interviews. A copy of the literature review is available in Annex 2.

**Structured questionnaires.** Recipients and applicants for CHF funds in South Sudan were asked to complete a short online structured interview questionnaire in advance of field-based interviews. The purpose of the questionnaires was to gather quantitative perception data on the efficiency and effectiveness of the CHF, and insights into the quality of CHF funding from the perspective of the recipient. Twenty-seven organisations completed the online questionnaire. All of the respondents were from either national or international NGOs. Although the questionnaire was also sent to UN agencies, no UN submissions were received. A copy of the online questionnaire is available in Annex 3.

**Semi-structured interviews.** Semi-structured interviews with fund managers, donor representatives, humanitarian response agencies and Dutch Embassy and Ministry staff provide the greater part of the evidence to support the research. Based on the indicators in the evaluation matrix, questionnaires were tailored for each group of stakeholders. Interviews were carried out predominantly in person and in some instances via phone or skype. Interviews were conducted on a 'Chatham House Rule' basis, where it was agreed responses were provided on a 'not-for-attribution' basis.<sup>1</sup> An example questionnaire is available in Annex 4.

A two-week fieldwork research phase completed in September 2014 included semi-structured interviews with 40 organisations including donors, INGOs, NNGOs, cluster leads and the Red Cross movement; attendance at a coordination meeting; and visits to CHF-funded projects in the Juba protection of civilians camp and in Bor. A follow-up visit to The Hague was carried out in November

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<sup>1</sup> When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed. See <http://www.chathamhouse.org/about/chatham-house-rule#sthash.kG8DjQ6S.dpuf>.

2014 with additional telephone interviews with three current and former representatives of the Ministry of Foreign Affairs directly involved in humanitarian funding decisions and six representatives of Dutch NGOs.

**Evaluation matrix.** An evaluation matrix, comprising the three overarching evaluation themes and sub-questions identified by IOB in the original ToRs, was developed to assist in marshalling evidence and information against specific evaluation questions.

The evaluation matrix incorporates a streamlined and modified version of the specific questions identified in the ToR, organised under the OECD-DAC evaluation criteria of relevance, effectiveness and efficiency. Further questions drawn from the South Sudan case study ToR, the policy study ToR, Humanitarian Outcomes' research proposal and based on comments and feedback from Humanitarian Outcomes were grouped under the three major research themes, with additional questions developed by the HPG team.

For each sub-question, the matrix lists suggested indicators against which the team will gather evidence during the desk review, field visit and additional interviews. The indicators will help the team members to gather data in a systematic and consistent way. In order to ensure consistency across country case studies, indicators are drawn in part from the minimum indicators suggested by IOB, and particularly indicators from the CERF performance assessment framework (CERF, 2010).

The evaluation matrix includes information and opinions attributable to individuals and organisations and therefore is not supplied as part of this publication.

## 2. Context for Dutch engagement in South Sudan

South Sudan underwent dramatic political change during the study period, including a referendum and secession from Sudan, major political crises between the South Sudanese and Sudanese government and, towards the end of the study period, a rapid descent into widespread civil conflict. Understanding the context in which Dutch funding decisions were made therefore is fundamental to the research. The following section describes some of the principal events in the political, security and humanitarian context, and outlines some of the key international responses to these changing circumstances.

### 2.1. Political and humanitarian context

South Sudan is home to one of the world's most protracted major humanitarian crises. Nearly four decades of civil war killed an estimated two million people and displaced an estimated four million (Maxwell et al., 2012). Those Southern Sudanese who remained suffered periodic dearth and famine and high levels of violence (see document in Annex 5: 'Timeline of humanitarian, political and policy events').

#### Humanitarian needs and operating environment

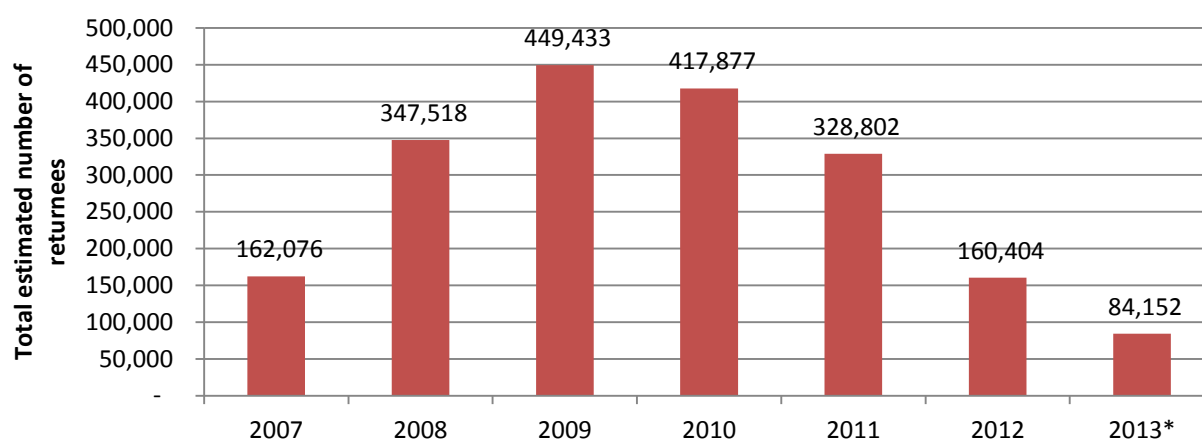
Large parts of the population of South Sudan are chronically poor with limited access to basic services and at high risk of disease outbreaks, conflict-related violence, loss of assets and risk of displacement and flooding. South Sudan remains at the bottom of most indicators of well-being including having the worst maternal mortality and lowest adult literacy rates in the world.

Coverage and quality of healthcare is extremely low, with only 40% of the population within 5km of a primary healthcare facility. Vaccination coverage is extremely low and access to sanitation is among the lowest in the world. Disease outbreaks are common and the capacity to detect and respond to them is limited.

Despite considerable agricultural potential, conflict, lack of investment, poor infrastructure and limited access to markets and seasonal risk factors including sporadic rainfall and flooding mean that many remain chronically food insecure, with around two million targeted for food aid each year.

South Sudan received an estimated 1.9 million returnees between 2007 and 2013.<sup>2</sup> Both returnees and the communities that have welcomed them have received little sustained support to integration and the establishment of sustainable livelihoods.

Figure 1: Total estimated number of returnees to South Sudan 2007-2013\*



Source: [International Organisation for Migration 2013](#). \* Up to 30 September 2013.

Reaching affected populations is extremely challenging. Large parts of the country comprise natural flood plains which are subject to widespread annual flooding. Lack of progress in the development of transport infrastructure is one of the more prominent failures of the expected ‘peace dividend’ in South Sudan. The UN estimates that over 60% of the country is inaccessible for over half the year. It is logistically extremely difficult and costly to respond to emergencies in the rainy season in many areas. Information about crises does not reach humanitarian actors easily and many crises go undetected or are reported late.

#### Political and security context

After several years of peace negotiations, the civil war between the government of Sudan and SPLM/A formally concluded in July 2005 with the Signing of the Comprehensive Peace Agreement (CPA), which made provision for an Interim Period in which signatories agreed to complete a timetabled series of actions leading up to a referendum on secession in 2011.<sup>3</sup> The implementation of the CPA was supported by a UN-led peacekeeping mission, UNMIS, which also supported the

<sup>2</sup> It is not clear in UN tracking figures how many returned between 2005 and 2007.

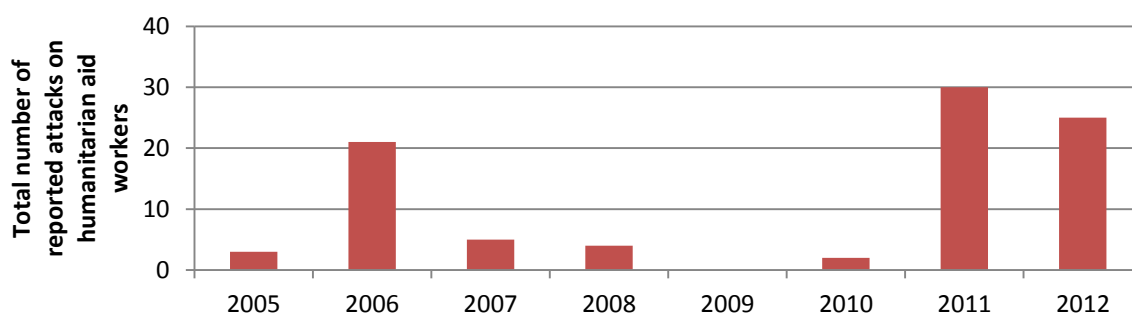
<sup>3</sup> Agreed actions included the withdrawal of forces, a national census, elections and boundary demarcation, all to be completed within the six-year Interim Period.

implementation of key milestones including a census and elections and supporting coordination of the return of large numbers of internally displaced people and refugees. The Interim Period ended on July 2011 when South Sudanese overwhelmingly voted to secede from Sudan to become a separate nation state.

Since secession, the new Republic of South Sudan has faced huge challenges, including a dispute over the sharing of oil revenues with the government of Sudan and a shutdown of oil production by the government of South Sudan that had dire fiscal consequences for both parties in 2013. Open hostilities between Sudan and South Sudan resumed in 2012 strategic and contested border areas including Abyei, Southern Kordofan and Southern Blue Nile (including incursions and aerial bombardments within South Sudan). Political dissent and unresolved conflicts have escalated, particularly since 2009 in Jonglei State, which has seen increasingly deadly communal conflict and two separate rebellions against the government.<sup>4</sup>

Attacks on humanitarian aid workers increased sharply in 2011. Access to affected populations has also become more difficult as a result of ‘interference’<sup>5</sup> in humanitarian activities by the South Sudan army, state authorities and non-stake actors. OCHA reports a doubling of incidents in the period January–May 2013 compared with the same period in 2012. Difficulties caused by denial of access, insecurity and ‘bureaucratic impediments’ were reported in 2013.

Figure 2: Reported attacks on humanitarian aid workers in South Sudan 2005-2012



Source: Humanitarian Outcomes (2013), Aid Worker Security Database, <https://aidworkersecurity.org/>

Political divisions at the highest levels of government become increasingly apparent during 2013 with the President sacking many senior Ministers and subsequently accusing Vice-President Riek Machar of attempting a coup. Supporters of Machar staged a violent rebellion in December 2013, which was met by alleged massacres by government security forces targeting the Nuer ethnic group. In February 2014 the Emergency Relief Coordinator (ERC) declared South Sudan a Level 3 (L3) emergency: 1.9 million people are thought to have been displaced by violence in 2014 and 2.5

<sup>4</sup> The first rebellion was led by Major General George Athor after losing the Governorship of Jonglei State in elections in 2010, and ended when Athor was killed in 2011. The second rebellion, led by the previously unknown David Yau Yau of the Murle ethnic group, began in 2010 after Yau Yau failed to win a parliamentary seat in elections. Following a brief hiatus, Yau Yau resumed his rebellion in August 2012.

<sup>5</sup> Note that this term is taken from the UN CAP appeal for 2013.

million were expected to face severe food insecurity in the first quarter of 2015. Some 235,000 children are thought to be suffering from severe acute malnutrition.<sup>6</sup>

## 2.2. International engagement in South Sudan

Until the signing of the CPA humanitarian action was the only mode of international engagement in South Sudan. In the early Interim Period, international donor support emphasised a positive progression from relief to recovery and development, with significant political attention and resources devoted to ensuring that the various CPA milestones were achieved and the political process remained on track in the period leading up to the 2011 referendum.

In line with this narrative of a rapid progression from relief to development, major donors envisaged a sharp reduction in humanitarian funding and a corresponding increase in development investments.<sup>7</sup> It is important to note that there was little evidence to suggest that humanitarian needs had materially altered at the signing of the CPA or that conditions were indeed conducive for development.

The signing of the CPA coincided with the emergence of a new global development consensus, embodied in the Paris Declaration on Aid Effectiveness, calling for harmonisation with government priorities and systems.<sup>8</sup> This posed major challenges in South Sudan, where donors lacked a capable development partner in the government and where a number of major bilateral donors were constrained by legal impediments from working in partnership with the government.<sup>9</sup> Donors balanced their principled aspirations to harmonise with and align behind government-led approaches with the practical challenges of working directly with the government by pooling their risks and funds through an array of pooled funding mechanisms. These pooled funds were intended to reduce transaction costs for the government and enable harmonisation with government priorities and plans.

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<sup>6</sup> OCHA Sitrep, November 2014,

[http://reliefweb.int/sites/reliefweb.int/files/resources/OCHA\\_South\\_Sudan\\_Monthly\\_HB\\_Nov1.pdf](http://reliefweb.int/sites/reliefweb.int/files/resources/OCHA_South_Sudan_Monthly_HB_Nov1.pdf).

<sup>7</sup> DFID for example envisaged that humanitarian aid would be reduced from 60% to 30% of the country programme by 2010-11 (Foster et al., 2010) and USAID cut its humanitarian budget from around USD100 million in 2005 to USD30 million by 2010 (Primrose and Poole, 2010).

<sup>8</sup> <http://www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforaction.htm>.

<sup>9</sup> Notably, the US and EU faced major legal challenges in programming development funds prior to secession. The US government's aid to Sudan was limited by comprehensive economic, trade and financial sanctions against the government instituted in 1997 in response to Sudan's support for international terrorism. The US government imposed new targeted sanctions in 2007 in connection with the government of Sudan's role in violence in Darfur. Sanctions did not preclude humanitarian assistance and USAID remained the largest donor of humanitarian aid to South Sudan throughout this period. At secession in 2011, South Sudan ceased to be subject to the Sudanese Sanctions Regulations administered by the US Department of the Treasury's Office of Foreign Assets Control (OFAC). Meanwhile, EU development assistance to Sudan was suspended for 15 years, only resuming with the signing of the CPA in 2005. However, Sudan's non-ratification of the first revision of the Cotonou Agreement in 2009 meant that the EU was obliged to again suspend assistance under its 10th European Development Fund (EDF) round. Following secession in 2011, an interim annual action plan was instituted focusing on addressing basic needs in health, education, food security and governance.



South Sudan became a veritable laboratory for pooled financing mechanisms, including the large World Bank-managed Multi-Donor Trust Fund for Sudan. The Netherlands has contributed to all but the newly created Health Pooled Fund.

Figure 3: Pooled funds in South Sudan 2004-2014

| Name                                     | Description   | s (USD million) | Donors   | Managing agent | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|---|-----------------|--|----------------|------|------|------|------|------|------|------|------|------|------|------|
| Common Humanitarian Fund for Sudan       | Under the overall authority of the Humanitarian Coordinator (HC), the Sudan CHF is intended to give the HC greater ability to target funds to the most critical humanitarian needs, encourage early donor contributions and enable a rapid response to unforeseen circumstances.  | 363.1           | Australia, Denmark, Ireland, Netherlands, Norway, Spain, Sweden, United Kingdom  | UNDP/OCHA      |      |      | ←→   |      |      |      |      |      |      |      |      |
| Common Humanitarian Fund for South Sudan | The CHF in South Sudan intends to improve the humanitarian response by providing rapid, flexible and predictable funds for humanitarian programmes; strengthening the planning and coordination process; channeling funds towards the most urgent needs; and ensuring that funds are available for rapid responses to unforeseen needs. | 370.3           | Australia, Belgium, Denmark, Germany, Ireland, Netherlands, Norway, Sweden, Switzerland, United Kingdom                      | UNDP/OCHA      |      |      |      |      |      |      |      | ←→   |      |      |      |
| Multi-donor Trust Fund                   | The Multi-Donor Trust Fund for Southern Sudan is a partnership of the international community, the Government of Southern Sudan, and civil society to support the implementation of various aspects of the 2005 peace agreement and rebuild conflict-affected areas.  | 718.0           | Canada, Denmark, Egypt, EU, Finland, Germany, Iceland, Italy, Netherlands, Norway, Spain, Sweden, United Kingdom, World Bank | World Bank     |      |      | ←→   |      |      |      |      |      |      |      |      |
| Basic Services Fund                      | BSF was established in 2005 with the goal to support the Government of South Sudan (GoSS) in expanding primary education, primary health, and water and sanitation services to communities recovering from conflict.  | 79.5            | Canada, Denmark, EU, Netherlands, Norway, Sweden, United Kingdom   | Mott Macdonald |      |      | ←→   |      |      |      |      |      |      |      |      |
| Capacity Building Trust Fund             | The CBTF began in 2004 in anticipation of the CPA to support the establishment of government systems.   | 22.3            | EU, Italy, Netherlands, Norway, Sweden, UK   | UNICEF/KPMG    | ←→   |      |      |      |      |      |      |      |      |      |      |
| Capacity Building Trust Fund II          | CBTF II will operate from 2010 to 2014 supporting: (1) Public Administration and Financial Management Systems; (2) Technical Capacity Building; (3) Accountability.   | 48.0            | Canada, Denmark, Netherlands, Norway, Spain, Sweden and the United Kingdom   | Mott Macdonald |      |      |      |      |      |      | ←→   |      |      |      |      |
| South Sudan Recovery Fund                | The SSRF was established in May 2008 to support the provision of recovery assistance and bridge the gap between the short-term emergency/humanitarian aid and longer-term development assistance.   | 46.0            | Denmark, Netherlands, Norway, Sweden, UK   | UNDP           |      |      |      |      | ←→   |      |      |      |      |      |      |
| Health Pooled Fund*                      | The HPF is a 3.5 year, multi donor initiative supporting delivery of essential primary health care and referral health services and will support services in Eastern Equatoria, Northern Bahr el Ghazal, Western Bahr el Ghazal, Warrap, Unity and Lakes states.  | 192.4           | Australia, Canada, EU, Sweden, UK  | Mott Macdonald |      |      |      |      |      |      |      |      | ←→   |      |      |

\*Note that the Health Pooled Fund is part of a tri-partite funding plan, which also includes funding from the US and World Bank.

Shortly after secession South Sudan became one of the pilot countries for the New Deal for Engagement in Fragile States, which identifies ten key areas where international engagement can be improved to build more lasting impact.<sup>10</sup> Towards the end of 2013 planning scenarios were shifting towards a focus on building resilience and local response capacity in line with the New Deal Compact. In keeping with these new longer-term planning horizons, the UN appeal shifted to a three-year time-frame and sought a more clearly defined and narrower scope of humanitarian action in a new Strategic Response Plan for 2014-16, issued in November 2013.

Despite the positive direction of travel at the policy level since secession, political crises have challenged development partnerships throughout the study period and humanitarian assistance has continued to serve as the fall-back or default mode of engagement whenever serious political crisis threatened. In response to the 2012 oil crisis, for example, donor governments suspended some development funding and switched their attention to maintaining basic services and 'safety-nets' through humanitarian means. In 2014, donors revised and suspended their development commitments and switched back to a default humanitarian financing mode.<sup>11</sup> The implications for humanitarian response of its relationship with international political and development engagement have been significant.

### 2.3. Shifting modes of humanitarian engagement

Humanitarian financing to South Sudan has been influenced by pragmatism and the higher-level strategic priorities of donor governments probably more than actual levels of humanitarian need. Humanitarian aid has been downgraded as a priority when political and development engagement has been considered preferable, and used as the default mode of engagement when engagement through political and developmental channels has failed.

During the early Interim Period humanitarian funding was frequently used to finance a very broad range of activities addressing chronic needs and filling development funding gaps. Humanitarian aid has been used to bridge urgent financing gaps, particularly in healthcare, where development financing has failed to deliver timely and sufficient funds to ensure uninterrupted provision of basic services.

While South Sudan has not struggled to attract humanitarian funding, it is only in the last five years that its persistent humanitarian needs have been formally acknowledged and disentangled from optimistic narratives of recovery and development. In 2009, persistent and rising levels of internal conflict and humanitarian needs and the failure of development funding to achieve significant progress, particularly in the provision of basic services, prompted a volte face in UN and donor policy

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<sup>10</sup> Improved approaches include a shift to country-led fragility assessments; the re-evaluation of formal compacts; stronger support for political processes; more effective support for capacity development; greater transparency of aid; increased use of country systems and more timely and predictable aid.

<sup>11</sup> DG ECHO noted in January 2014, for example, that: 'At present, the political and security environment is not conducive for regular development cooperation, and we are reviewing our portfolio of activities to determine what actions could continue being implemented and what actions would need to be suspended until a more conducive environment is reinstated'. <http://www.static.reliefweb.int/report/south-sudan-republic/republic-south-sudan-echo-factsheet>.

and a belated return to high-profile humanitarian engagement.<sup>12</sup> Notably, despite Sudan being a pilot country for country-based pooled funding, the cluster system was not introduced until 2010. The policy decision to shrink the size of OCHA and withdraw OCHA presence from field locations was also reversed after 2009.

In the intervening years, OCHA instituted a range of policy reforms and procedural improvements including the introduction of the standardised Initial Rapid Needs Assessment (IRNA) tool and development of a composite risk index to assist in prioritisation of the Strategic Response Plan (SRP). In 2013, OCHA adapted the SRP to a three-year planning period and sought to narrow the hitherto wide-ranging scope of activities funded under the aegis of humanitarian action. When violence broke out in December 2013, the UN Country Team issued a crisis response plan within two weeks and rapidly shifted the modus operandi away from building resilience and local response capacity towards large-scale internationally led humanitarian response.

### 3. Dutch support to South Sudan

The Dutch government has maintained a long-running diplomatic, development and humanitarian engagement in Sudan and South Sudan. This engagement has changed in response to the changing context, and has also been influenced by policy changes within the Dutch government and changes emerging from the broader international humanitarian and development community. The following section describes the Dutch government's diplomatic, development and humanitarian engagement in South Sudan.

#### 3.1. Dutch development engagement

The Dutch government's diplomatic and aid engagement in Sudan and South Sudan is longstanding. In 2003, Sudan was included in the Dutch focus on supporting conflict resolution in the region, alongside Ethiopia, Eritrea, Somalia and Djibouti. In 2007, Dutch aid policy shifted towards a clearer emphasis on fragile states expressed in the policy letter 'Our Common Concern: Investing in Development in a Changing World' (31250, no. 1), which also identified Sudan as a priority country. This new emphasis on fragile states was later formalised with the issuance of the policy document 'Security and Development in Fragile States: The Netherlands' Strategy 2008-2011', which elaborates the Dutch objectives of (a) enhancing the security of citizens (b) contributing to a legitimate government with sufficient capacity and (c) creating a peace dividend. The 2008-2011 strategy also reiterates an earlier commitment to working under an integrated or 'whole-of-government' approach, combining diplomatic, political, military and economic tools, first described in the 2005 'Memorandum on Post-Conflict Reconstruction' (30075, no. 1).

The Dutch commitment to an integrated whole-of-government approach is reflected in Dutch support to political processes with a range of diplomatic, security and financial tools, alongside complementary development and humanitarian investments. For example, the Netherlands

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<sup>12</sup> John Holmes, the Emergency Relief Coordinator from January 2007–September 2010, for example, notes that: 'All in all, there was no doubt by 2009 that we needed to reverse our plans to reduce humanitarian assistance ... This meant reconnecting with the main Western country donors to South Sudan to explain to them that large-scale funding for humanitarian aid was still needed ... how over-optimistic and wrong we were in 2007!'. John Holmes, 2013.

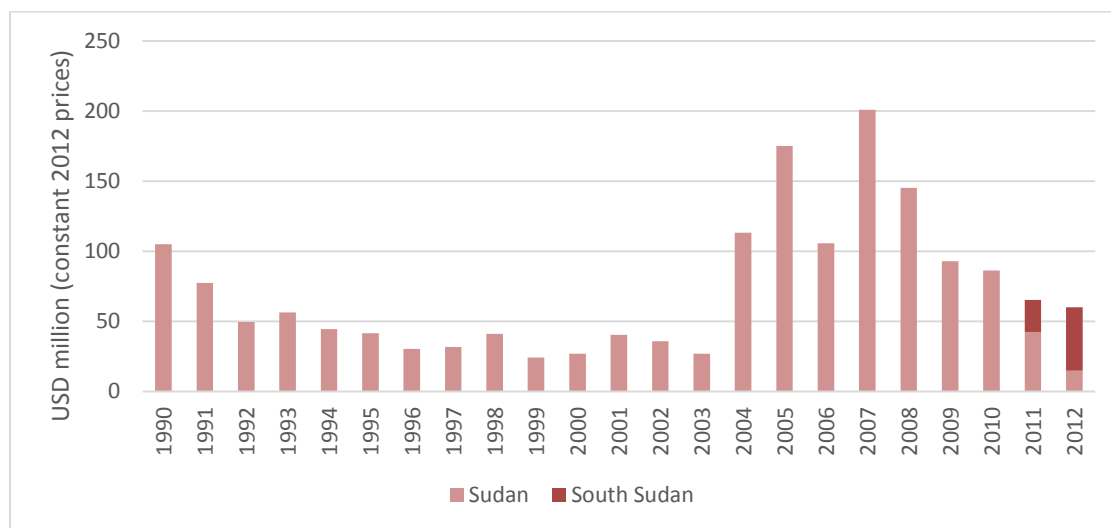
participated in the Assessment and Evaluation Commission (AEC) which informed the development of the Abyei roadmap.<sup>13</sup> The Dutch and Norwegian governments subsequently financed key elements of implementation of the roadmap, including the division of oil resources and border demarcation. In addition, the Dutch government has supported key elements of the implementation of the CPA including preparations for elections in 2009 (Dutch MFA, 2008).

The Dutch government has invested in its in-country diplomatic and development capacity and has been actively involved in donor coordination at the country level. The Netherlands established an embassy office in Juba under the responsibility of the Dutch Embassy in Khartoum in 2008 and a full Embassy in 2011. Dutch Embassy staff in Juba are also responsible for representing the Dutch government in humanitarian policy forums.

The Dutch government was heavily involved in the establishment of the pioneering joint donor team for South Sudan in 2006, designed to provide technical assistance and a harmonised donor approach in particular in donor support to the multi-donor trust fund for South Sudan administered by the World Bank and the Capacity-building Trust Fund administered by the Joint Donor Team. The establishment of the Joint Donor Team is an expression of donor policy commitments to the Paris Declaration on Aid Effectiveness agreed in 2005.<sup>14</sup>

Dutch official development assistance (ODA) increased significantly in support of the achievement and implementation of the CPA from 2004 (see Figure 4 below).

Figure 4: Dutch official development assistance (ODA) contributions to Sudan and South Sudan 1990–2012



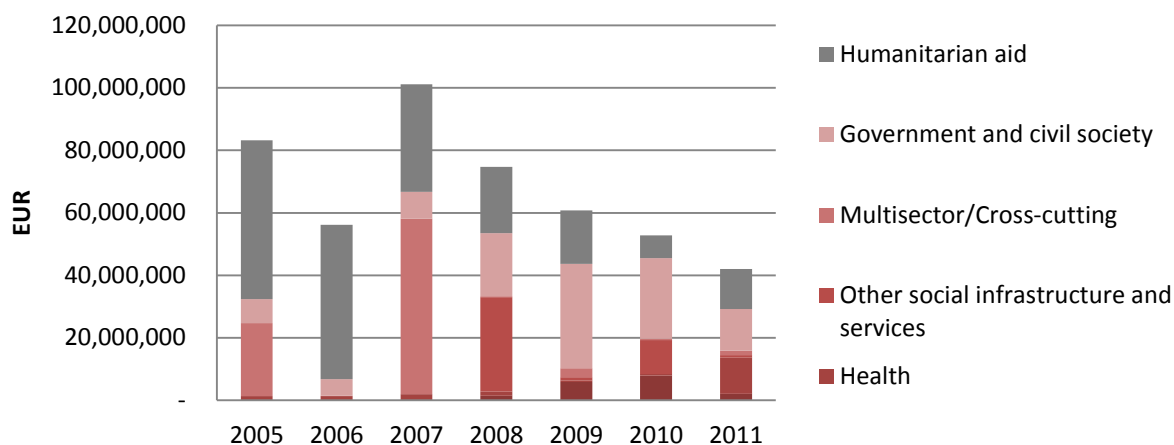
Source: Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC). Values are total ODA net. Note that ODA flows to South Sudan are not disaggregated in OECD DAC statistics before 2011.

<sup>13</sup> The Abyei Roadmap Agreement was signed in 2008 by the National Congress Party and Sudan People’s Liberation Movement following conflict in the Abyei area. The accord specifies timelines for security arrangements and repatriation of internally displaced persons as well as the establishment of an interim administration and an International Arbitration commission.

<sup>14</sup> The JDT was established by Canada, Denmark, Netherlands, Norway, Sweden and the United Kingdom and operated from 2006 to 2013. The JDT closed on 30 September 2013.

The Dutch development budget has supported peace, stability, social and economic reconstruction and good governance. As Figure 5 shows, the focus has shifted from humanitarian aid prior to the designation of Sudan as a priority country under the new fragile states policy towards a clearer emphasis on basic service provision and governance.

Figure 5: Dutch annual ODA expenditure in South Sudan 2005-2011



Source: Dutch MFA using OECD DAC standard reporting 'purpose-codes'.

Medium-term bilateral policy approaches and priorities for individual fragile states are described in four-year Multi-Annual Strategic Plans (MASPs) drafted, implemented and monitored by Embassy staff. The MASP for South Sudan for the period 2008-2011 (MASP I) in the run-up to the 2011 referendum had as its primary emphasis 'making unity attractive', noting that implementation of the CPA had become more difficult, that international attention had been diverted to Darfur in the preceding years and that emphasis should be redirected towards South Sudan.

Despite this renewed policy commitment to South Sudan, ODA contributions fell during this period. For example, total anticipated commitments to South Sudan fell from EUR38 million in 2008 to EUR36 million in 2009 and EUR35 million in 2010 (MASP I: 2008-2011; also see Figure 4 above for falling ODA contributions to Sudan in real-terms). Falling ODA should be viewed in the context of reductions in overall Dutch ODA spending as part of fiscal austerity measures implemented in the wake of the global economic downturn from 2008.<sup>15</sup>

The second plan for the period 2012-15 (MASP II) has as its focus 'promoting stability through mitigation of conflict; growth and development'. This is to be achieved through three pillars, which correspond with Dutch global policy priorities: security and rule of law; water management; and food security. The Dutch government's focus on security includes support to UNMISS, security sector reform and disarmament, demobilisation and rehabilitation (DDR).

MASP II priorities were reviewed and adjusted in early 2014 in response to the dramatic deterioration in security and in light of the reluctance of the South Sudanese government to work towards a peaceful resolution of the conflict or to provide its citizens with basic services and

<sup>15</sup> From 2010, the Netherlands reduced its ODA contributions from 0.8% of GNI to around 0.7% thereafter (OECD DAC, 2011).

assistance. In a policy note on South Sudan issued on 19 May 2014, the Dutch government confirmed the suspension of direct budget support and limited programmes building the capacity of government institutions. Programmes were reviewed for conflict sensitivity, resulting in the temporary suspension of the Safety and Access to Justice programme. Existing contributions to the South Sudan Recovery Fund and Capacity Building Trust Fund were maintained, as was support to basic service provision in health and education, food security, civil society and freedom of the press. Reallocated funds and additional funds accruing from insecurity-related delays to implementation were reallocated to the humanitarian assistance budget and to proposed transitional justice programmes.

A revised MASP for the period 2014-17 was originally proposed in May 2014 but was on hold as at the end of 2014.

### 3.2. Dutch humanitarian engagement

Dutch humanitarian policy and decision-making is centralised within the Humanitarian Department in The Hague, and while the department draws on the analysis and advice of embassies, decision-making is independent of strategic priorities identified in MASPs.<sup>16</sup> Humanitarian priorities are in principle derived from an analysis of humanitarian needs in the context in question, and as compared to needs in other global crises and in relation to Dutch humanitarian policy priorities.

Prior to 2011, the Netherlands did not have a formal overarching humanitarian aid policy.<sup>17</sup> The central policy emphasis was rooted in the belief that humanitarian assistance is 'most efficient and effective when delivered by a coherent and co-ordinated international humanitarian system, under the leadership of the United Nations and anchored in the Principles and Good Practice of Humanitarian Donorship (GHD Principles)' (OECD, 2011). This translated into practical steps to support reform efforts aimed at improving the global humanitarian aid architecture through a combination of advocacy, engagement and targeted financing to support multilateral agencies and pooled funds.

In 2011, the Dutch MFA published a humanitarian aid policy *Aid for People in Need*, which formalised the logic underpinning the Dutch approach to supporting improved humanitarian effectiveness through support to humanitarian reform and the multilateral system. It also formalised additional policy aspirations, including promoting greater **self-reliance and resilience**, support to **humanitarian**

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<sup>16</sup> Indeed in the two MASPs in effect during the study period, humanitarian assistance receives limited consideration. For example in MASP I (2008-2011), humanitarian assistance is mentioned with reference to a transition from humanitarian to development assistance which is presented as a desirable outcome in itself, with the possible added advantage of freeing up funds for recovery activities. Transition from humanitarian to development support was a common policy preference among donors and the UN during the earlier Interim Period, but by the end of the MASP I period, this position had been revised to reflect the reality of continued high levels of humanitarian needs and disappointing progress in recovery and development. MASP II (2012-2015) in contrast includes explicit acknowledgement that the need for humanitarian action is likely to remain for years and notes that transition from vulnerability and dependence on humanitarian aid is framed as a necessary step towards sustainable development.

<sup>17</sup> The OECD DAC peer review in 2011 notes that the Netherlands had not addressed recommendations of the earlier 2006 peer review and put in place an overarching humanitarian aid policy.

**access and neutrality** through advocacy and strengthened **accountability**, including an increased focus on results and accountability towards affected populations.

*Box 1: Summary of Dutch humanitarian policy*

- **More self-reliance and resilience.** In the case of humanitarian aid, we must, as far as possible, use local capacity and structures – or ensure that they are strengthened. We must also devote more attention to disaster risk reduction (DRR): preventing disasters, mitigating the impact of disasters and disaster preparedness.
- **More effectiveness through less duplication and more coordination.** Emergency appeals must become more uniform, so that they are mutually comparable and better coordinated. At present, each aid organisation operates its own system, which is inefficient. More cooperation in needs assessments will ensure more cohesion, less duplication and fewer gaps in aid provision.
- **Humanitarian access and neutrality.** Aid organisations must have free access to the people affected. The humanitarian principles of neutrality, impartiality and independence must be upheld. This protects humanitarian aid from being equated with politics and from the resulting dangers to both victims and aid workers. The Netherlands wants to be an active advocate in this area.
- **Greater accountability.** The Netherlands will continue to give attention to accountability for results in humanitarian aid. The Dutch public and disaster victims also need to be informed about aid results.

*Source: Ministry of Foreign Affairs of the Netherlands, 2012.*

The Dutch government's humanitarian aid to South Sudan is spread across an array of unearmarked contributions to multilateral agencies and funds and bilateral contributions determined by the Humanitarian Department in The Hague.

Multilateral contributions include funds channelled through DG ECHO derived from Dutch contributions to the EU; voluntary unearmarked contributions to UN agencies and the CERF.

Unearmarked contributions via the EU are notable not only in their volume, but also because DG ECHO regularly funds activities *outside* of UN coordinated appeals. In 2012, for example, ECHO contributed USD14 million (11% of its total contributions that year) to NGO projects not listed in the appeal.<sup>18</sup> To a limited extent therefore the Netherlands indirectly contributes to a broader scope of humanitarian action beyond the coordinated mainstream. This may be seen as constituting a more balanced portfolio of investments, rather than as undermining the coordinated approach, particularly in support to key responding agencies such as MSF, which for reasons of principle prefer to remain outside of UN appeals.

The Netherlands has been a highly predictable and generous supporter of the CERF and is the fourth-largest donor, contributing USD494 million to the fund since its inception in 2006 (see Figure 6 below).<sup>19</sup> South Sudan has been a frequent recipient of CERF funds through the rapid response (RR) and under-funded emergencies (UFE) windows. Contributions to South Sudan have been reported separately since 2011 and currently total USD 108 million (USD77 million through the RR

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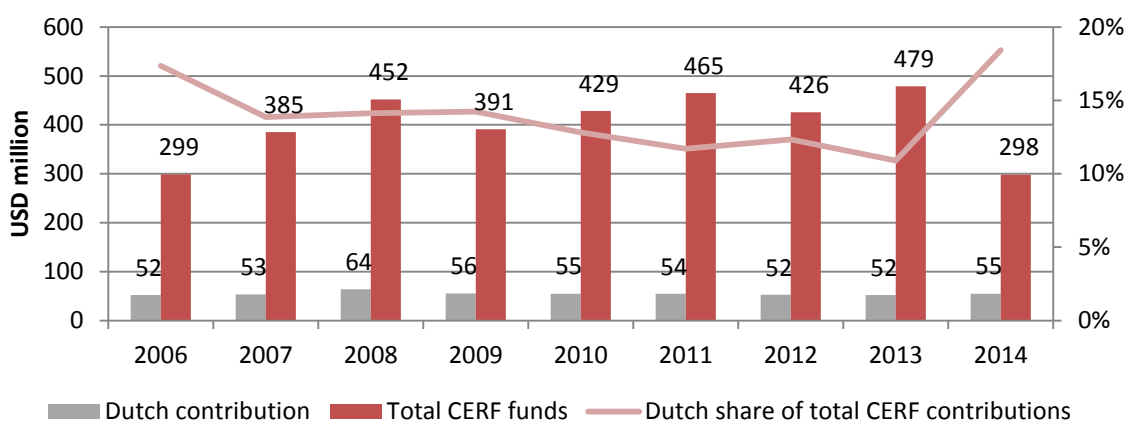
<sup>18</sup> Partners receiving funds include MSFs France, Belgium and the Netherlands, Solidarités International, Handicap International and IMC, largely for emergency healthcare programmes.

<sup>19</sup> Based on contributions recorded by the CERF Secretariat at 25 August 2014. The leading donors are the UK, Norway and Sweden.



window and USD32 million via the UFE window), of which the imputed Dutch contribution is USD15 million.

Figure 6: Dutch contributions to the UN Central Emergency Response Fund (CERF) 2006-2014



Source: UN CERF Secretariat. Data downloaded 25th August 2014. Note that contributions for 2014 are those registered up to 25th August 2014.

The Netherlands also provides unearmarked contributions to UN agencies including the High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP). In 2012, Dutch contributions to UNHCR and WFP, which were then spent by those agencies on activities in South Sudan, may be calculated as USD2.1 million and USD2 million respectively.<sup>20</sup>

Dutch bilateral humanitarian aid contributions to the South Sudan crisis have historically been dominated by contributions to the CHF, consistent with Dutch policy commitments to support multilateral systems and approaches and in particular with the Dutch commitment to support UN-led humanitarian reforms. Indeed, the Dutch government has been a consistent supporter and advocate for the CHF's since their inception.

With respect to the role of pooled funds in supporting humanitarian effectiveness, the logic is described as follows: 'In countries affected by long-term crises, pooled funds (joint donor funds) provide **strategic, flexible and predictable financing** for emergency aid. In countries often affected by disasters, small pooled funds are available to finance **sudden needs**. Evaluations show that pooled funds help **improve effectiveness and coordination**. The Netherlands will continue to contribute to the CERF and pooled funds at country level' (MFA of the Netherlands, 2012; emphasis added).<sup>21</sup>

<sup>20</sup> Based on Development Initiatives' approach to imputing multilateral contributions, which applies the percentage contribution of donors to total unearmarked funds received by multilateral agencies and applies this to the volumes of funds spent by those agencies in recipient countries.

<sup>21</sup> It is worth noting that the 2012 policy does not indicate any particular preference for selecting multilateral channels. In their elaboration of important factors contributing to more effective humanitarian aid, the importance of needs-based prioritisation, improved coordination and quality are emphasised, as well as the 'selection of the most effective and efficient aid channel'. This is further described noting that selection of partners should be determined according to factors including context, capacity and particular qualities of

Dutch financial contributions to the CHF have varied over time; contributions to the CHF for South Sudan were USD20 million in 2012 and USD5 million in 2013. Although development priorities do not directly determine humanitarian funding allocations, unspent development funds were reallocated to humanitarian programmes in 2012 and 2014. See section 5 for a more detailed discussion of Dutch humanitarian contributions to the crisis response.

In terms of changes to funding allocations, the Dutch government increased the funding allocation to South Sudan from a planned EUR10 million to EUR28 million by November 2014, including redirecting EUR5 million in unspent funds from the reconstruction budget earlier in the year.<sup>22</sup> Additional funds allocated from the humanitarian budget include a planned allocation for a Dutch consortium of NGOs (expected to be EUR8 million) which was under negotiation during the research period. Additional funds were also allocated to actors supporting the regional refugee response, including EUR1 million for UNHCR's programme for South Sudanese refugees in the Gambella region of Ethiopia.<sup>23</sup>

#### 4. The Common Humanitarian Fund (CHF)

The following section considers the extent to which the Dutch decision to channel funds through the CHF met the key evaluation criteria of relevance, effectiveness and efficiency, and the extent to which the CHF met the policy commitments established in the 2011 policy *Aid for People in Need*.

##### 4.1. Background to the CHF in South Sudan

The origins of the CHF derive from the UN Emergency Relief Coordinator (ERC)'s Humanitarian Reforms initiated in 2005 and in donor commitments to the Good Humanitarian Donorship (GHD) initiative of 2003. The original design of the first pilot CHFs envisaged supporting GHD commitments to provide **rapid** and **flexible, needs-based funding**. But the intention was also to support UN Humanitarian Reform efforts towards **improved coordination and coverage**, including through a **strengthened Humanitarian Coordinator** (Stoddard et al., 2006). It should be noted that the realisation of the CHFs was driven by donors – among them the Netherlands.<sup>24</sup>

The CHF in South Sudan is descended from one of the two original CHFs established in Sudan and the Democratic Republic of Congo (DRC) in 2006, which were developed to 'test the feasibility of a highly decentralized humanitarian resource allocation model' (Salomons, 2009). The creation of the first CHF in Sudan in 2006 is of added historical resonance: it was the poor performance of the UN in Sudan in response to the Darfur crisis in 2004/5 which was largely responsible for the UN reform process.

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implementing agencies. Therefore according to stated policy, the Netherlands should follow an agnostic and pragmatic approach to partner selection.

<sup>22</sup> EUR5 million was transferred to humanitarian programming for the South Sudan response. The remaining EUR19 million was redirected towards the Stability Fund for activities in CAR, Ukraine and Syria (EUR5 million) and the remaining EUR14 million redirected to 'realise the BNP discount on the ODA budget of 2014'.

<sup>23</sup> Based on the 19 May 2014 policy note. Contributions may have subsequently increased.

<sup>24</sup> Government donors involved in early support to the first two CHFs include: Belgium (DRC only), Canada (DRC only), Ireland (Sudan only), the Netherlands, Norway, Sweden and the United Kingdom (Stoddard et al., 2009).

CHFs are observed to have supported Humanitarian Reform ‘by creating incentives for coordination and leadership, as well as increased opportunities for partners to participate in a more coherent manner in the planning and prioritization of humanitarian response’ (Salomons, 2009). Independent evaluations of the CHFs consider their overall impact to have been broadly positive and to have delivered improvements in line with expectations (see box 2 below). Indeed, CHFs have become an established element of the humanitarian financing architecture and in 2014 were active in six countries: Afghanistan, DRC, Somalia, South Sudan, Sudan and the Central African Republic (CAR).

*Box 2: Summary of key lessons from evaluations of CHFs*

**Lesson 1:** There is a trade-off between speed of allocation and inclusiveness and transparency.  
**Lesson 2:** The role of the HC is essential to the success of a CHF and to coordination more broadly. Although carrying multiple strands of responsibility, the HC role does not have any authority over UN agencies or other actors in the humanitarian system, which makes inclusive decision-making important but potentially time-consuming.  
**Lesson 3:** In providing funds to CHFs donors are transferring their decision-making role to the humanitarian system. This carries with it significant transaction costs to clusters, the UN system and senior humanitarian staff. Evaluations have tended to find that these additional costs are outweighed by the benefits.  
**Lesson 4:** CHFs have been consistently judged to have strengthened coordination and the role of the HC in instances where leadership and coordination mechanisms are already relatively strong. Under such circumstances, CHFs can strengthen prioritisation and participation.  
**Lesson 5:** Where CHFs have focused on the inclusion of national NGOs, they have improved their participation in humanitarian action and their access to funding.

*Source: Featherstone, 2013.*

Prior to secession in 2011, South Sudan was treated as a regional window under the Sudan-wide CHF. A separate pooled fund for South Sudan was created in February 2012, which has channelled considerably greater volumes of humanitarian funds to the crisis than the Sudan CHF. Notably, the South Sudan CHF addresses only priority humanitarian needs and not recovery or development activities. It also commits to coordinating with donors outside the CHF to ensure coherence and effective coverage; ensuring ‘transparent and robust monitoring of project implementation’; treating all partners equally; and taking steps to enable national organisations to access the fund.

*Box 3: Stated objectives of the South Sudan CHF at inception*

The objective of the South Sudan CHF is to support the timely allocation and disbursement of donor resources to the most critical humanitarian needs in South Sudan under the direction of the HC, in consultation with an Advisory Board. The South Sudan CHF is intended to improve humanitarian outcomes by:

- providing committed funds for humanitarian actions earlier than under other modalities;
- strengthening the planning and coordination process;
- tying the funding allocation to the CAP;
- broadening participation in the CAP;
- channeling funds towards the most urgent needs; and
- ensuring that funds are available for rapid responses to unforeseen needs.

*Source: UN OCHA 2012*

The CHF makes two standard allocations annually, scheduled at the beginning of the year to enable pre-positioning during the dry season, and mid-year, depending on donor contributions. The CHF also retains a reserve for rapid response to unforeseen needs, which is recommended at around 20%

of contributions but in practice is adapted as determined by the Humanitarian Coordinator (HC) and the CHF Advisory Board in response to needs.

The CHF operates under the overall leadership and direction of the HC, supported by an Advisory Board comprising donor, UN, NGO and OCHA representatives who assist in determining policy and priorities. OCHA provides the Technical Secretariat, while the United Nations Development Programme (UNDP) Multi-partner Trust Fund Office (MPTFO) in New York serves as Administrative Agent, receiving, contracting and administering funds. The UNDP Country Office in South Sudan serves as Managing Agent for funds contracted to NGOs, assessing, contracting, monitoring and holding accountable NGO funding recipients.

In practice, the clusters and cluster members also play a fundamental role in analysing needs and gaps, providing technical quality assurance on proposals, prioritising funding decisions and, increasingly, monitoring implementation and outputs of CHF-funded projects.

*Box 4: Structure of the CHF South Sudan*

The HC is supported by an **Advisory Board** in developing policy and priorities. Membership of the Advisory Board consists of :

- The Humanitarian Coordinator (as Chairperson);
- Two representatives of contributing donors to the South Sudan CHF;
- Two representatives of participating UN agencies (in the capacity of cluster leads);
- Two representatives of the NGO community;
- OCHA Head of Office;
- One representative of a non-CHF contributing donor (observer).

The **Technical Secretariat** provides technical support to the board. In particular it may prepare drafts of policy papers for consideration, review project proposals, allocate funds in accordance with policies established by the board and oversee the technical quality of projects. This role is partially filled by OCHA and partly by the clusters.

The **Administrative Agent** manages the fund finances, records contributions and reports on the financial status of the fund. This function is fulfilled by the UNDP MPTF Office (in New York).

The UNDP Country Office (in South Sudan) is the **Management Agent** for grants to NGOs, as UNDP MPTFO financial rules preclude direct payments to NGOs from UNDP-managed funds without passing through a UN agency. UNDP CO levies a charge of 7% for this service in accordance with its financial regulations. UNDP CO is responsible for ensuring that recipients meet rules set down by the board and for reporting on implementation of projects.

*Source: Cosgrave and Goyder, 2011 and UN OCHA, 2012*

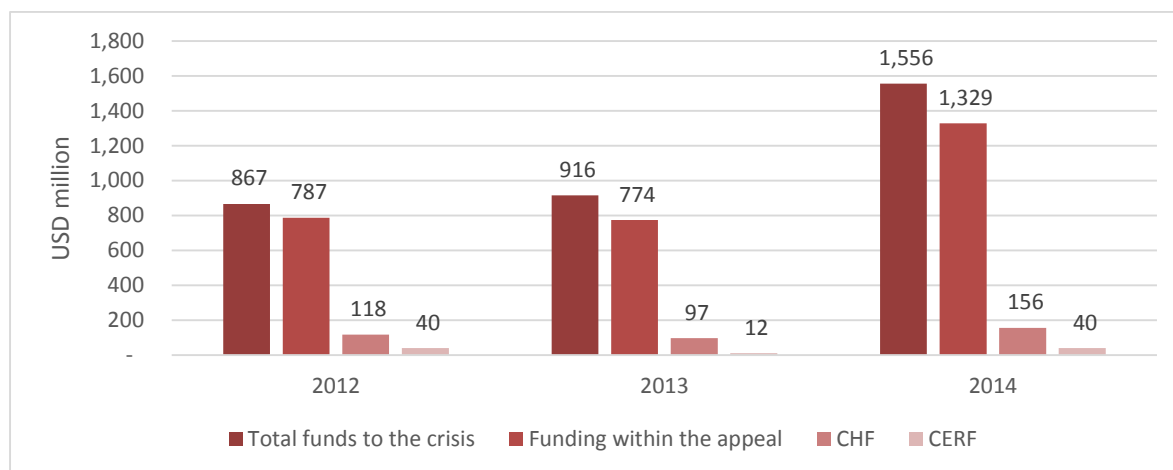
The CHF in South Sudan has received USD370 million in contributions since its inception in 2012 to the end of 2014. This represents a significant increase compared with funds allocated to the South Sudan window of the Sudan CHF. The amounts allocated in the two standard allocations in South Sudan in 2010 and 2011 for example were USD50 million and USD61 million respectively.<sup>25</sup>

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<sup>25</sup> Figures are based on sums reported in allocation policy papers and may differ from the final amounts disbursed. Moreover, these totals do not include any funds allocated through emergency reserve allocations.

The South Sudan CHF is typically the third largest ‘donor’ to South Sudan after the US and EC. It contributed 15% of the funds reported in the CAP in 2012, 13% in 2013 and 12% in 2014. It is worth bearing in mind therefore, when considering the influence and impact of the fund, that while its contribution is significant, it has not exceeded 15% of total funds within the appeal.<sup>26</sup>

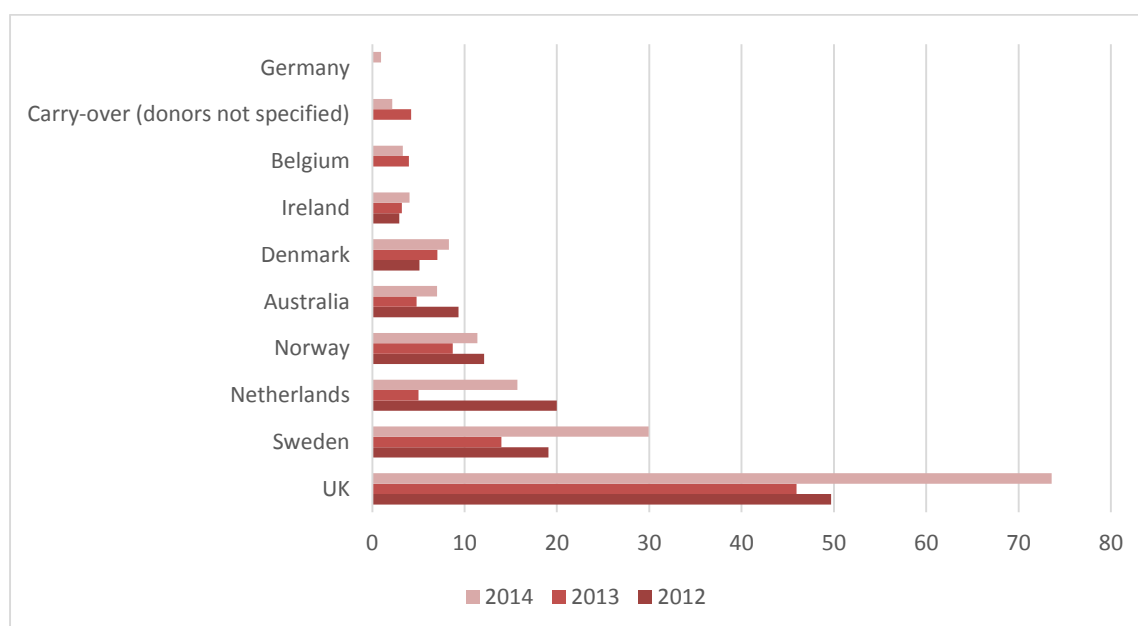
Figure 7: Contributions of pooled humanitarian funds to overall funding to the South Sudan crisis 2012-14



Source: UN OCHA FTS. Data downloaded 29<sup>th</sup> November 2014.

The Netherlands has been the third largest contributor to the fund since 2012, contributing a total of USD41 million, or 11% of the total contribution between 2012 and 2014. The South Sudan CHF has seven regular donors (the UK, Sweden, the Netherlands, Norway, Australia, Denmark and Ireland) and has attracted three additional donors since the creation of the fund, Belgium in 2013 and Germany and Switzerland in 2014.

Figure 8: Donor contributions to the South Sudan CHF 2012-14



<sup>26</sup>. If one were to exclude food aid from the comparison, the significance of the CHF contribution would be considerably greater.

*Source: UN OCHA FTS. Data downloaded 29<sup>th</sup> November 2014.*

The South Sudan CHF has introduced a number of reforms and policy modifications in response to evaluations and feedback from recipients and donors, many of them introduced with the creation of the new CHF for South Sudan in 2012. Figure 9 below summarises key changes in response to criticisms of the CHF.

Global policy changes have also influenced the operation of the CHF in South Sudan. The Transformative Agenda introduces a new modus operandi for pooled funds in the event of the declaration of a Level 3 emergency. For the CERF this includes the obligation to develop an initial CERF request within five days of USD10-20 million, to include requests for funds for common logistics, telecoms and the UN Humanitarian Air Service (UNHAS). A second CERF request based on a more detailed initial rapid needs assessment is anticipated at a later date.

For country-based pooled funds, the HC assumes 'empowered leadership' within 72 hours of a L3 declaration, permitting greater authority to determine priorities. In addition, all ongoing allocations which do not meet life-saving needs are expected to be suspended and funds diverted to the L3 crisis. This includes funds which have been committed but not disbursed to partners and funds held in reserve. UNDP is also expected to activate 'Fast Track' prioritisation.

Other major areas of focus for the TA with direct bearing on the functioning and performance of pooled funds are programme cycle reforms, in particular improvements to coordinated needs assessments and evidence-based planning and prioritisation through new Strategic Response Plans. TA-driven programme cycle reforms are expected to enable coordinated humanitarian action in South Sudan, including a proposed move towards activity-based costing in the SRP and new global-level guidelines for CHFs on monitoring and reporting.

Figure 9: Summary of criticisms of the Sudan CHF identified in UN and IASC commissioned evaluations and policy studies

| Issue  | Raised  | Actions taken  |
|--|---|--|
| <p>Funding <b>competition</b> between UN agencies and NGOs: funding ‘windfall’ to UN agencies in first cycle of CHFs and increase in pass-through funding to NGOs; perception of conflict of interest in UN agencies competing for funding and influencing funding decisions as cluster leads.</p> | <p>Stoddard et al., 2006<br/>Willits-King et al., 2007<br/>Salomons, 2009<br/>Cosgrave and Goyder, 2011</p> | <p>Policy guidance to reduce and control the practice of <b>pass-through funding</b> where there is no clear advantage to the implementing agency in improved coordinated action or cost-efficiency.</p> <p>Creation of funded positions for NGO co-leadership of clusters to reduce <b>conflicts of interest</b> in allocation process and enable more balanced and representative coordination. DFID began funding three co-sector lead positions in South Sudan from c. 2007. The cluster system was introduced in 2010. By 2014 each of the 11 clusters had donor financed NGO co-leads.</p> |
| <p><b>Predictability:</b> At the aggregate/crisis level predictability increased as commitments typically made early so amount of funds to the crisis fairly clear. But at individual agency level predictability diminished.</p>  | <p>Stoddard et al., 2006<br/>Salomons, 2009<br/>Cosgrave and Goyder, 2011</p>                               | <p>Global-level policy challenge outside scope of influence of the CHF in South Sudan.</p>   |
| <p><b>Timeliness:</b> Scheduling of allocations out of step with seasonal requirements for procurement and transport to enable pre-positioning. Allocations delayed owing to late donor contributions.</p>   | <p>Stoddard et al., 2006;<br/>Willits-King et al., 2007;<br/>Salomons, 2009</p>                             | <p>Progressive reduction in length of allocation process from 120 days from issuance of policy paper to disbursement in 2007 to 56 days in 2013.</p> <p>Rescheduling of standard allocations in South Sudan in 2013 to facilitate procurement and transport in the dry season.</p> <p>CHF repeatedly encouraged <b>donors to contribute early</b> to enable timely allocations, but this has continued to be problematic. In 2012 and 2013 late contributions significantly delayed disbursements.</p>   |
| <p><b>Projectisation:</b> Reinforcement of tendency in CAP to ‘artificially’ divide programmes into sector/cluster divisible projects increasing transaction costs for recipients and fostering fragmentation in funding.</p>  | <p>Salomons, 2009</p>   | <p>IASC-commissioned study on feasibility of programme-based approaches in CAPs and CHFs in 2012 which recommended piloting partial or full programme-based approaches in 2012.</p> <p>Global-level policy challenge outside scope of influence of the CHF in South Sudan.</p>   |
| <p><b>Accountability:</b> Allocations based on proposals and not evidence of prior performance. Poor performance not addressed (most notably among UN agencies).</p>   | <p>Stoddard et al., 2006<br/>Willits-King et al., 2007<br/>Salomons, 2009<br/>Cosgrave and Goyder, 2011</p> | <p>CHF-funded monitoring and reporting specialists deployed to eight clusters and Humanitarian Monitoring and Reporting Framework was developed and rolled out in 2012.</p>  |

|   |  |  |
|---|--|--|
|   |  | OCHA created a Partner Performance Index first trialled in second standard allocation in 2013 to systematically incorporate performance assessment information into decision-making.   |
| <b>Cost-efficiency:</b> Multiple levels of sub-contracting add cost to overall response without necessarily adding value. Value for money of UNDP's managing agent fund questioned. Relatively low level of indirect costs allowable which does not enable strengthening of agency field presence. Donors should therefore provide core funding. Lack of monitoring permitted lack of efficiency in core pipelines. | Salomons, 2009<br>Cosgrave and Goyder, 2011                          | CHF guidelines recommend against pass-through funding from 2012.<br><br>Projects reviewed against value-for-money assessment from 2012. CHF regularly funds core pipelines and common services which enable cost-efficiency through economies of scale from 2009/10, plus improved monitoring from 2012.<br><br>Proposal from HQ level to renegotiate level of UNDP support to CBPFs globally noting cost must be lower than current 7% and independent review of management functions and costs in Q1 2014 (Son, 2013).   |
| <b>Transaction costs:</b> Transference of administrative burden from donor HQs to the field. In early stages, considerable investments needed by partners to build country-level capacity. This cannot be financed out of the permissible indirect costs recovered via CHF grants. Transaction costs higher for NGOs, whose grant sizes are smaller and procedures more complex.                                    | Stoddard et al., 2006<br>Salomons, 2009<br>Cosgrave and Goyder, 2011 | Donor funding to Cluster co-lead positions from 2007.<br><br>CHF-funded Cluster M&R specialists from 2012.   |
| <b>Needs-based decision-making:</b> Quality of evidence of need underpinning strategic and cluster-level decisions weak. Scope of fund responsibilities towards transition, recovery and basic services not clearly defined leaving fund open to pressure to gap fill across a broad interpretation of humanitarian needs.  | Willits-King et al. 2007<br>Cosgrave and Goyder, 2011                | <b>Quality of evidence</b> improved incrementally across the humanitarian community from a very low baseline. Common tools for coordinated assessments – the Initial Rapid Needs Assessment (IRNA) – introduced in 2012. OCHA developed risk index in 2012 to help prioritise 2013 SRP.<br><br><b>Scope of definition of needs</b> not yet addressed at policy level. In 2013 standard allocations recommended using CERF lifesaving criteria to narrow scope of definition, but this can be interpreted as a pragmatic response to circumstances in that year, where the volume of funds was reduced and donor policy tended towards encouraging greater responsibility from government and new development financing mechanisms (notably in health) for financing basic service provision. |



## 4.2. Efficiency

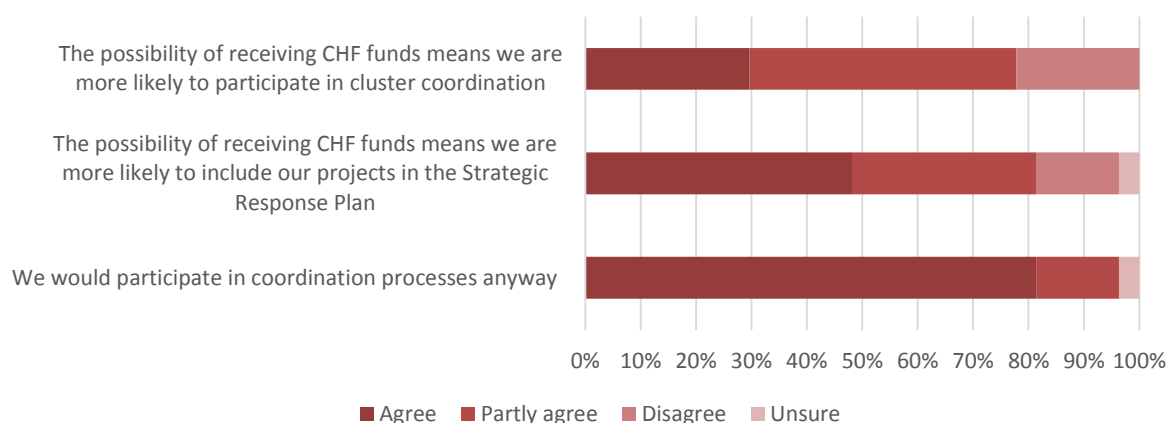
The following section considers the contribution of the CHF to supporting a more efficient response through improved and inclusive planning and coordination, strengthened leadership, support to humanitarian partners and strengthened accountability. In addition, this section examines the quality of funding provided in terms of predictability, flexibility and timeliness and finally issues in relation to the cost-efficiency of the mechanism.

### 4.2.1. Planning and coordination

CHFs have had widely documented positive influences on planning and coordination, including channelling greater volumes of funds within coordinated appeals and creating incentives for agencies to participate in coordinated planning processes. For example, in 2005, the pre-pilot year of operation of the Sudan CHF (which included the South Sudan CHF until 2012), the proportion of 'coordinated contributions' increased from 51% to 71% and increased again to 79% in the full pilot year (Stoddard et al., 2006). The 2011 evaluation of the Sudan CHF noted a big increase in the number of NGOs participating in the CAP in order to access CHF funding. Various evaluations have concluded that linking funding and coordination through the CHF created powerful incentives to participate in cluster coordination, and also empowered and elevated the influence of the clusters through their role in allocating funds (Stoddard et al., 2006; Willits-King et al., 2007; Salomons et al., 2009; Cosgrave and Goyder, 2011).

An early evaluation of CHFs suggested that they were contributing to a 'remaking of the culture' of humanitarian action (Willits-King et al., 2007). But whereas the CHF may have provided a powerful nudge towards coordination in its early stages – and of course these incentives undoubtedly still exist – participating in coordinated planning and processes appears to have become internalised as part of the culture and normalised to such an extent that the financial incentives may by now have been superseded. The response from organisations on this point was striking: overwhelmingly, organisations reported that, while financial incentives do have some bearing on their willingness to participate in coordinated processes and plans, they would participate in cluster coordination processes with or without the CHF because they recognise the value in coordination.

Figure 10: Survey responses on coordination

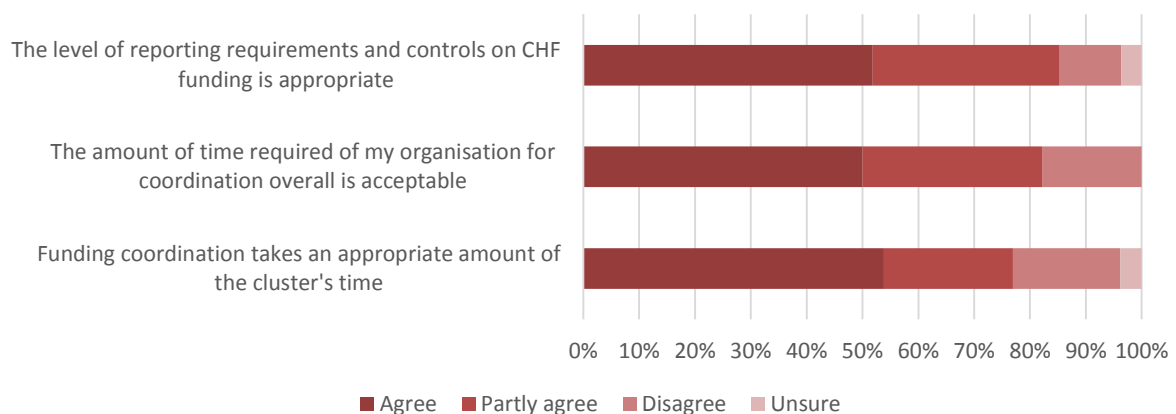


Source: HPG online survey August/September 2014.

Increased coordination has meant that transaction costs were devolved downwards to the country level. Salomons et al. (2009) note for example that ‘In addition to acquiring a solid knowledge of the pooled funds’ processes and procedures, technical staff are now expected to manage meetings, raise funds, negotiate, prepare budgets and financial statements, and carry out evaluations’. An early evaluation of the CHF in Sudan concludes however that this transferred responsibility represented an acceptable trade-off in light of the effectiveness gains at the aggregate level, and had not detracted ‘overmuch’ from substantive programming work (Stoddard et. al. 2006).

Agencies consulted during this study had mixed feelings about the additional work involved in coordination around the CHF and other cluster processes. For smaller organisations in particular those who do not have and cannot afford permanent representational presence in Juba, which is most often national NGOs, the costs are proportionately greater and some elect therefore to stay outside of the process. It appears that larger organisations in particular have adapted to meet the increased workload associated with participating in CHF processes. The majority of agencies responding to the survey conducted for this study indicated that they do not currently find the burden of funding and cluster coordination disproportionate, although in interviews organisations across the board were nevertheless dissatisfied with what they see as a cumbersome coordination process.

Figure 11: Survey responses on transaction costs



Source: HPG online survey August/September 2014.

Concerns have been raised latterly that agencies have come to focus disproportionately on capital-based activities to the detriment of their operational responsiveness.<sup>27</sup> This loss of responsiveness is still a matter of much debate and is far from conclusively proven. If it is indeed the case, there are likely to be multiple contributing factors, including a growing risk aversion in the sector and a shift towards hard physical defences in favour of acceptance and engagement, but the creation of a strong gravitational pull towards the capital around CHF processes is likely to be a contributing

<sup>27</sup> In particular, Healey and Tiller (2012), humanitarian advisers working for MSF, asked in relation to the response to the refugee crisis in Maban in 2012: ‘Given that the emergency occurred in an area where large-scale operations had been conducted during Operation Lifeline Sudan, and many of the responding agencies have been present in the country for decades, has the humanitarian system lost some of its former capacity to respond quickly and effectively to this kind of “classic” refugee emergency?’

[http://www.odihpn.org/humanitarian-exchange-magazine/issue-57/have-we-lost-the-ability-to-respond-to-refugee-crises-the-maban-response.](http://www.odihpn.org/humanitarian-exchange-magazine/issue-57/have-we-lost-the-ability-to-respond-to-refugee-crises-the-maban-response)

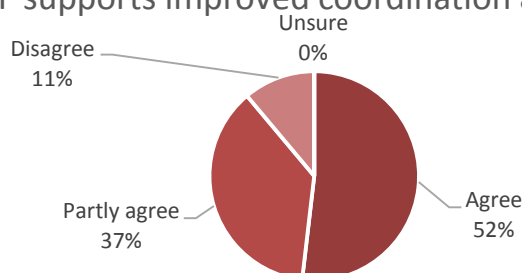
factor.<sup>28</sup> Many agencies consulted also noted that, since the creation of the South Sudan CHF, and particularly in the context of the current crisis, where many staff have been relocated, prioritisation and coordination processes have increasingly taken place at capital rather than state level and CHF prioritisation has shifted from a bottom-up to a top-down process. Of particular note for this study, however, is a contrary development in 2014 whereby the CHF served an important function in creating incentives to support a push for coordinated response in some of the most difficult areas through supporting rapid response mechanisms (see section 4.3.2 below for further discussion on the rapid response mechanism).

CHFs and indeed the appeals planning process have been criticised for promoting the sub-division of programmes into sector/cluster-divisible projects, increasing transaction costs for recipients and fostering fragmentation in funding (Salomons et al., 2009). This is an unresolved challenge for the appeals and CHFs at the global policy level. However, the CHF in South Sudan in 2014 supported more integrated prioritisation and strategy development through the Rapid Response Fund, which relies on prioritisation from the inter-cluster working group and finances multi-cluster interventions rather than projects disaggregated and prioritise by cluster.<sup>29</sup>

The CHF has also had an additional unanticipated positive influence on donor coordination. Donors regularly engage with coordinated analysis of needs and gaps through the CHF advisory board, representation on the HCT and regular meetings with OCHA. In advance of CHF advisory board meetings, donors consult each other in order to arrive at common positions. Donors take the analysis of the clusters, including prioritisation and gap analysis determined through CHF prioritisation, seriously in their decision-making and respect the level of inclusiveness involved in cluster analysis, prioritisation and planning processes. CHF fund recipients also confirmed that the CHF supports improved coordination among donors. However, while CHF analysis, prioritisation and coordination have in principle contributed to improved donor coordination, the extent of this is limited in practice; in the first half of 2014 only two donor meetings took place.

Figure 12: Survey responses on donor coordination

### The CHF supports improved coordination among donors



Source: HPG online survey August/September 2014.

<sup>28</sup> See for example Mark Duffield and Sara Collinson (2012) on what they refer to as the ‘bunkerisation’ of humanitarian action, with specific reference to South Sudan.

<sup>29</sup> It should be noted that several respondents were critical of the effectiveness of the ICWG in identifying priorities for the RRM. However, since the mechanism was in its very earliest stages at this point, this may reflect early teething problems.

#### 4.2.2. Leadership

The availability of funds to incentivise and realise decisions and coordinated plans led by the HC is broadly acknowledged to have strengthened and enabled leadership of the crisis response. OCHA argues, for example, that ‘The fund has helped strengthen the central role of the UN Humanitarian Coordinator in setting a coherent strategy for the response and influencing programming’ (OCHA, 2014). Similarly, the current HC acknowledges that the CHF is a useful tool in his repertoire and a number of INGO, donor and UN representatives interviewed for this study agreed that the HC had used his influence to effectively prioritise resources for the current response, which involved taking tough and sometimes unpopular decisions, such as de-prioritising funding for the education cluster in the initial scale-up phase in early 2014.

A structural tension exists in the HC’s dual role as Resident and Humanitarian Coordinator within an integrated mission setting, which renders the CHF vulnerable to decisions influenced by non-humanitarian considerations. The 2011 evaluation of the Sudan CHF, for example, noted that the HC had disregarded the advice of the CHF advisory board, which was considered against the principles of partnership (Goyder and Cosgrave, 2011). This tension between exercising leadership, delivering timely decisions and ensuring consultation is respected in CHF prioritisation and decision-making and a number of donors in particular flagged an example of the HC apparently approving CHF funding to cover the costs of reinforcing the fence around the Bentiu Protection of Civilians (PoC) site, contrary to the collectively agreed position that UNMISS should be responsible for these costs. Cluster members more frequently described situations where they felt there had been insufficient consultation in arriving at priorities in policy allocation papers, but nevertheless broadly agreed with the decisions taken.

In response to the current crisis, before the empowered leadership mode mandated in the Transformative Agenda was in effect, the HC oversaw the rapid re-prioritisation of CHF allocations in December 2013 and January 2014. The strategy and allocations were revised in line with the dramatically altered humanitarian situation. All existing allocations which had not been disbursed were reviewed in line with the priorities identified in the newly developed Crisis Response Plan and with reference to CERF allocations. In this instance, cluster members and donors were broadly supportive of the HC’s leadership of this process and the decisions reached.

#### 4.2.3. Partnerships

In the early years of operation, the first CHFs were criticised for enabling UN agencies to effectively capture a disproportionate share of funding, which was not commensurate with their role in the response. Stoddard et al. (2006), for example, notes that UN agencies were ‘reaping a windfall’ in 2005 and 2006. NGOs were disadvantaged vis-à-vis UN agencies in CHF processes, with UN agencies occupying cluster lead positions which permitted undue influence over allocation decisions; they had limited ability to pre-finance activities; and they faced more burdensome contracting and reporting procedures. UN agencies were also criticised for sub-contracting funds to NGOs while providing little or no discernible additional value and increasing the lead-time and overall cost of financing considerably. Significant progress has been made in South Sudan with respect to all of these widely noted criticisms.

South Sudan has had donor-funded NGO co-sector leads since 2007 when DFID began funding positions in three key sectors. The cluster system was introduced in 2010 and by 2013 each of the 11 clusters had donor-financed NGO co-leads.

On the matter of pass-through funding and the need to pre-finance operations, OCHA has taken steps to ameliorate the disadvantages NGOs might face. OCHA's policy guidance for allocation processes, for example, discourages the practice of pass-through funding where there is no clear added value, and clusters actively vet proposals to weed out ones where implementing agencies could be funded directly. The CHF Secretariat attempts to ensure that disbursements are prioritised for NGOs, who may have limited or no capacity to pre-finance start-up of operations, when money reaches the CHF account.

The debate on partnerships has progressively shifted from one between UN agencies and INGOs to consider strengthening partnerships with national NGOs, who receive a small but growing share of CHF funds. Goyder and Cosgrave note for example that, in 2006, the Sudan CHF made no grants to local or national NGOs. By 2007, they received less than USD100,000 but by 2010, this had risen to USD6 million. OCHA reported that, in 2013, NGOs received half of all funds, up from 42% in 2012, and that funding to national NGOs had increased by 50% in 2012 (OCHA, 2014).

In keeping with the CHF's commitment to 'take steps to enable national organisations to access funds' OCHA has undertaken dedicated capacity-building workshops for new and existing partners with a special session for national NGOs. Clusters also report that they invest time in supporting national NGOs with their proposal development. The protection cluster has an explicit commitment to support the development of the capacity of national civil society actors, including establishing a 'mentorship system' and prioritising access to CHF funding. In the second standard allocation of 2013, the protection cluster was awarded 19% less than requested, whereupon the cluster invited UN agencies to voluntarily cut their requests. A second voluntary cost-cutting exercise resulted in a surplus of funding, which was reallocated in favour of national NGOs.<sup>30</sup>

Building national response capacity had been one of the strategic priorities of the 2014 Strategic Response Plan, envisaged before the onset of the current crisis. These ambitions experienced a setback in the first allocation of 2014, when national NGOs received significantly less funding, reportedly as part of a conscious decision to prioritise agencies perceived to have a strong geographical and sectoral response capacity and because a number of national NGOs were forced to relocate out of their operational areas owing to insecurity and ethnic violence.

National NGOs consulted reported that they feel disadvantaged by CHF processes, notably the need to participate in Juba-level coordination processes, the apparent preference for having existing alternative sources of funding for projects and the capacity assessment process, which considers capacity at a fixed point in time, rather than the ability of the organisation to scale up should it receive funding. National NGOs consulted also felt they were under-represented in decision-making, although national NGOs do in fact have a representative on the CHF Advisory Board. However, the CHF represents one of the only funding sources which national NGOs can access directly and the

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<sup>30</sup> Based on the CHF Cluster Consultations and Peer Review Meetings Allocation Report for the Protection Cluster in South Sudan for the second standard CHF allocation in 2013.

more successful national NGOs have consistently received substantial volumes of funds. Perhaps the largest and most successful national NGO, Nile Hope, received USD1.5 million across seven separate projects and allocations in 2014, USD2.3 million across seven projects in 2013 and USD1.9 million across eight projects in 2012.

In summary the CHF in South Sudan has had a mixed impact on partnership overall. In the early years the CHF strained relations between UN agencies and NGOs, placing them in direct competition for funds with unfair advantages afforded to the UN. UN agencies still play an influential role within the system and receive large volumes of funds, often to support common services and functions such as the common pipelines and humanitarian transport services. The playing field within the CHF has levelled considerably during the study period through efforts made by the CHF secretariat and through donor support to jointly led clusters. The ability to participate in clusters on equal terms in the CHF prioritisation process has contributed to greater equality of decision-making between UN agencies and NGOs. And the CHF in South Sudan has provided funding opportunities and incentivised participation in coordinated processes for national NGOs.

#### 4.2.4. Timely funding

CHFs are on the whole not particularly timely sources of funding for several reasons. The need to undergo a consultative allocation process lengthens decision-making; for NGOs in particular, contracting processes may be relatively slow, and when donor contributions are not made in a timely fashion disbursements may be considerably delayed. In addition, historically allocation processes and funding disbursements have frequently been misaligned with seasonal requirements for funding to enable procurement and transport within the dry season.

OCHA has taken a number of steps to improve this situation, notably reducing the length of the allocation process from 120 days from issuance of policy paper to disbursement in 2007 to 56 days in 2013.

The timeliness of UNDP's contracting process has also been streamlined and improved, and where donor deposits lag behind allocation decisions the CHF tries to prioritise those organisations who are not able to pre-finance for the earliest disbursements of available funds.

OCHA has also attempted to bring forward standard allocation processes to better align with seasonal funding requirements, for example bringing the standard allocations in 2013 forward from March to February and from September to August.

However, a lack of timely donor deposits represents the greatest challenge to the timeliness of disbursements, and even with optimally sequenced allocation processes the CHF is unable to disburse funds. See section 4.2.5. below for a detailed discussion of the sequencing of donor deposits and the impact on disbursements and programming.

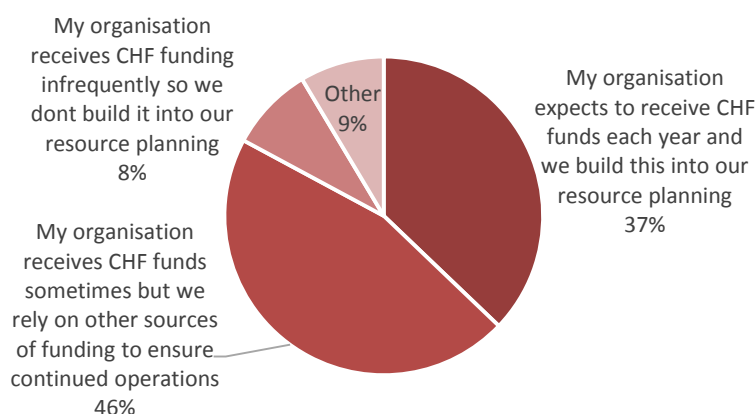
#### 4.2.5. Predictable funding

Previous evaluations and studies have concluded that CHFs increase predictability at the aggregate crisis level by encouraging earlier funding commitments, giving greater clarity of funding availability at an earlier stage in the annual planning process. This improved predictability at the crisis level enables the CHF to provide targeted support to identified gaps and priorities and to provide more predictable support to common pipelines, which are considered by many actors to be of significant

benefit to the wider humanitarian community.<sup>31</sup> But at individual agency level, predictability is diminished since agencies must compete for funds anew in each funding allocation round (see for example Stoddard et al., 2006; Salomons et al., 2009; Cosgrave and Goyder, 2011).

These findings were confirmed by agencies consulted, but with some notable variations. Larger agencies, notably UN agencies, often reported that they had expectations that they would receive funding from the CHF each year (though volumes and projects could not be predicted) and factored this into their resource planning accordingly. For smaller organisations, the CHF was seen as a more unpredictable source of financing. This unpredictability was most keenly felt by national NGOs who reported having to scale their organisational capacity up and down, alternately recruiting and laying off staff in response to fluctuating funding levels. Indeed, in response to the recent crisis, in the first-round of allocations, larger organisations who were considered to have more reliable response capacity were prioritised, providing a further illustration of the contention that the CHF is a more predictable source of funding at the organisational level for larger organisations.

Figure 13: Survey responses on predictability of CHF funding



Source: HPG online survey August/September 2014.

The major threat to the CHF's ability to deliver more predictable funding is the lack of timeliness of donor contributions to the fund. Humanitarian operations in South Sudan are dogged by acute logistical challenges, whereby the very poor transport infrastructure, seasonal flooding and deteriorating road conditions and seasonal windows for planting of staple crops mean that pre-positioning of bulky relief supplies must take place in the dry-season window which runs from approximately mid-November to the end of March.

In 2012, the first year of operation of the new CHF, the majority of funding allocations were received in March and although OCHA completed the allocation and disbursement processes promptly in April, this left little time for procurement and transport. The second allocation was affected much more seriously by late donor contributions, which were received over an extended period of four months, delaying disbursements to partners. Low spend rates among recipient agencies (52% by the end of December) and no-cost extensions logically followed (OCHA, 2013).

<sup>31</sup> It is important to note that not all actors agree that common pipelines should be funded via the CHF.

In 2013, OCHA brought the first allocation forward to February, but donor contributions were not received until March through to July, again delaying disbursements to partners. OCHA noted that the number of extensions requested by partners in 2013 more than doubled (OCHA, 2014).<sup>32</sup> In 2014 the situation was better owing to early contributions from DFID, the leading donor to the fund, which meant that funds were available in the bank from 1 January, but late contributions continued to have an effect on operational response with clusters flagging up gaps – notably in the WASH cluster, where several partners’ projects were on hold pending receipt of CHF funding.

#### 4.2.6. Flexible funding

The CHF relies on lengthy consultative planning and prioritisation processes, including the development of the Strategic Response Plan in the year preceding allocations and the allocation process itself. There has been a progressive reduction in the length of the allocation process but the unwieldy consultative nature of the process does not lend itself to flexibility and the ability to adapt to changing situations. This was noted by a number of partners in relation to the current study, who questioned the ability of the analysis and decisions derived from these consultative processes to keep pace with rapidly changing needs and priorities in the current crisis.

In addition, CHF contract agreements are considered quite inflexible by some recipients compared with their bilateral partner agreements, and the inability to engage in a dialogue between donor and recipient partners was also noted as a barrier to flexibility. A joint OCHA and UNDP Multi-partner Trust Fund office mission in 2013 also noted a lack of flexibility in the project revision process, which was considered overly bureaucratic and rigid (Son, 2013). The CHF typically allows for 20% variance between budget lines before having to undergo a formal revision, but in response to the current crisis OCHA and UNDP have agreed to a more flexible approach to allow the same degree of variance between categories of activity rather than budget line. This new approach had not been tested at the time of field research.

#### 4.2.7. Accountability

A lack of accountability has long been noted as a major weakness of the mechanism (Stoddard et al., 2006; Willits-King et al., 2007; Salomons et al., 2009; Cosgrave and Goyder, 2011). The 2011 evaluation of the Sudan CHF recommended OCHA establish an adequately-staffed monitoring unit to coordinate self-monitoring and reporting by grantees, and external monitoring by sector leads. The evaluation also recommended that the CHF review board should consider allocating a percentage of funding to support monitoring by sectors (Goyder and Cosgrave, 2011).

With the creation of the new CHF for South Sudan, OCHA has advanced a number of reforms, including those recommended in the 2011 evaluation. For instance, the South Sudan CHF has a Monitoring and Reporting (M&R) framework supported by an OCHA-led M&R Working Group, and in 2013 CHF-funded M&R specialists were deployed to eight of the clusters, funded from CHF contributions. OCHA has also developed a partner performance index which seeks to build a more effective feedback loop on partner performance into allocation decisions (see box 5 below). The

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<sup>32</sup> There are, it should be noted, other reasons for needing no-cost extensions, and in many cases this will be related to operational challenges in implementation.



OCHA Technical Secretariat plans to introduce a new online Grant Management System (OCHA 2014a), to further revise the CHF monitoring and reporting strategy to take into account new global pooled fund guidelines on monitoring and reporting issued by OCHA, and to develop a new risk management framework.

*Box 5: The CHF Partner Performance Index*

The Partner Performance Index (PPI) draws on data from monitoring activities, financial and narrative reports and audits. The PPI allocates each organisation a score and was used to provide evidence on past performance to inform the selection of projects from late 2013. The PPI will be incorporated into the CHF risk management framework and will permit monitoring of changes in performance over time.

The PPI is in addition to existing partner capacity assessments carried out on all prospective NGO funding recipients by an independent audit firm to establish the risk profile of the organisation.

*Source: CHF annual report, 2013*

The bedrock of the CHF monitoring system is partner self-reporting and partners report regularly against indicators agreed in their project proposals as well as cluster-level indicators (see box 6 below), which allow the aggregation of results for CHF funded activities at cluster-level and to some extent, comparisons of results over time.

*Box 6: CHF partner monitoring and reporting on results*

Each project funded through the CHF is required to report regularly against indicators agreed in their project proposal and against cluster-level indicators, which contribute to aggregated results reporting for all CHF-funded projects.

Projects of six months or more must submit a mid-term and final report. Projects of shorter duration submit just one final report. Reports are submitted in a standard excel format, which allows easy collation of results, and final reports must be submitted within one month of project completion.

Partners are required to report quantitative results against indicators as well as making narrative remarks explaining the extent to which activities are on track or differ from agreed targets. Partners are also required to report notable successes, changes or difficulties encountered, and are encouraged to submit photos, short stories or other sources of evidence illustrative of project results.

*Source: UN OCHA Partner CHF Reporting Guidance*

Significant progress has been made in putting in place the systems, procedures and capacity to capture and report on implementation progress and outputs. The most notable development has been the decision to deploy cluster monitoring officers, which are expected to deliver improvements in accountability not just for the CHF, but also to strengthen monitoring and reporting on outcomes at the cluster and SRP level.

OCHA recruited eight UN Volunteer (UNV) staff in 2012 using funds allocated from the CHF. Feedback from cluster leads and members on the added value of the contribution of the M&R officers was on the whole positive, improvements in the availability of information at the cluster level were noted and clusters had greater influence to demand reports and hold organisations

accountable for performance.<sup>33</sup> Monitoring documents produced by the cluster monitor in the protection cluster which were reviewed for this study were found to be rigorous, well evidenced and would in principle serve as a good source of feedback and evidence to inform cluster-level advocacy on behalf of partners to support the management of operational challenges. Monitoring information collected by the M&R officers also feeds into the partner performance assessment that informs the ratings agencies receive in the partner-performance index, which then feeds into funding allocation decisions.

The cluster monitoring experiment has not been without its challenges and controversies. Concerns were raised about the level of staff selected, whom many felt were too junior for the task. Unresolved disputes over organisational responsibility and cost-sharing for the UNVs impacted their ability to travel towards the end of their first deployment period, and with the escalation of the crisis at the end of 2013 they left. At the end of 2013 in discussions around renewal of funding for the M&R officers and when upgrading the positions from UNV to P2 was proposed, some donors did not accept that this service should be paid for out of CHF funds, and argued that the costs should be shared with cluster lead agencies.

By the end of 2014, the hiatus in the M&R officer function was drawing to a close, with eight replacement UNVs recruited and a general consensus reached with CHF donors that monitoring and reporting should be considered a core function of the fund and therefore legitimately funded out of CHF funds. Based on the current UNV cluster M&R officer model, the costs to the CHF are relatively low considering the scale of the overall investment and when considered in relation to other management and administration costs the cost of administering the CHF remains just 5% of the overall value of contributions (see figure 14 below). The costs of higher-grade staffing would be considerably higher, and for the moment donors are not keen to support this.

In summary, gaps remain in the availability of evidence but OCHA has taken a number of steps to improve monitoring and reporting. As a result, output-level reporting on CHF-funded projects against cluster-level indicators has been systematically undertaken since the creation of the new CHF and is delivering comparable evidence of collective results (see figure 16 in section 4.3.3., which summarises CHF output level reporting); partner performance now consistently feeds into funding allocation decisions through the Partner Performance Index. With the reinstatement of M&R officers, real-time monitoring of implementation of CHF-funded activities will resume. In addition, M&R officers support the wider accountability requirements of the clusters, not just the CHF, and as such in principle contribute to strengthened accountability at the cluster level.

All of the measures so far put in place focus on monitoring implementation against plans laid out in project documents and capturing and verifying results. Achieving an understanding of the overall outcomes of activities funded through the CHF is not addressed by any of the current and anticipated measures, however, and this remains a major limitation and an area of potential misunderstanding between donors and the CHF, which is not in fairness charged with more than monitoring CHF-funded activities. Neither OCHA nor UNDP is currently obliged or resourced to

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<sup>33</sup> It should be noted that not all cluster members shared this view and some perceived little benefit from the M&R officers, considering their monitoring 'just another paper exercise'. However, the M&R officers were in situ only a relatively short time and faced challenges in carrying out field-based monitoring.

assess and collect evidence on the outcomes of CHF-funded activities. In addition, in practical terms, attributing outcomes in co-financed projects is extremely difficult and would be of value primarily to donors looking for evidence to justify their investments, rather than of practical use to understanding the outcomes and impact of the collective coordinated response to the crisis.

It is currently not possible to draw meaningful conclusions about the efficiency (or indeed the effectiveness) of the activities funded through the CHF, only to draw conclusions about the efficiency of the mechanism itself and to make statements of collective results. The mandate of the South Sudan CHF, for instance, states that OCHA's periodic evaluations of the CHF consider the impact of the mechanism itself and not the collective outcomes of the activities the CHF funded. Results which are collected are of limited practical use in trying to interpret outputs and outcomes of activities funded, including their efficiency, since they are largely decontextualised and provided without interpretation. Furthermore, since they are based on partner self-reporting, they are largely unverified.

During the field research for this study, the future of the M&R officers was unclear and the alternative proposal of a third-party monitoring service was mooted by a number of interviewees. The purpose of such a mechanism would be to provide independent verification of implementation and results and could be extended to consider outputs and outcomes of interventions, including in relation to the needs and strategy identified in the SRP. With the reinstatement of the M&R officers in late 2013 third-party monitoring is no longer considered a priority. However, discussions in 2013 around accountability highlighted a number of outstanding challenges in relation to accountability which are not fully resolved by enhanced M&R of the CHF. Firstly, monitoring and verification alone does not provide the sort of information which donors, including the Dutch government, would like and indeed may require in order to justify their contributions domestically. There is in short an unmet demand for information on the outputs and outcomes of CHF investments. Secondly, there is a higher-level deficit in accountability for the collective investments in coordinated response and it is not therefore possible to draw meaningful conclusions as to the efficiency and effectiveness of the strategy and response coordinated by the UN. Finally, debates around how to pay for monitoring and reporting for CHF funds illustrate that donors may be reluctant to meet the cost of these functions.

In order to generate the type of evidence and analysis the Dutch government requires with respect to the efficiency and effectiveness of the programmes funded via the CHF and indeed their contribution to the collective coordinated response, a much larger investment in accountability mechanisms would be required.

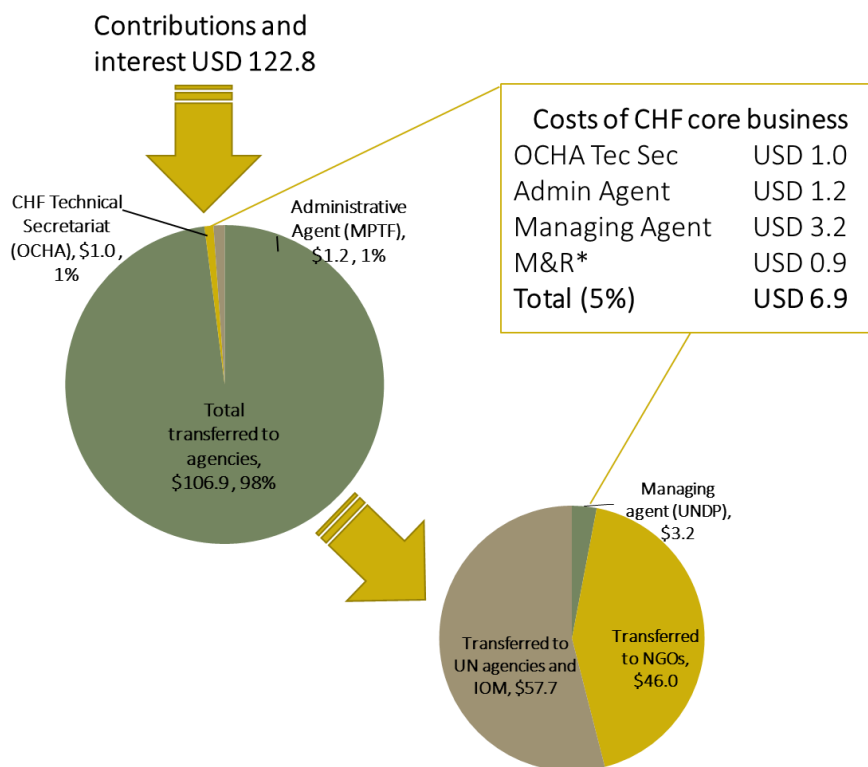
#### 4.2.8. Cost-efficiency

The cost-efficiency of financing through the CHF is a contentious and much discussed matter, particularly among funding recipients. This section considers in brief the costs associated with administering the fund and in sub-contracting, and also points to some areas of concern raised by partners with respect to the extent to which the CHF is able to cover the real costs of responding.

When considering the various costs of administering the fund, including the cost of supporting the OCHA Technical Secretariat, UNDP's role as administrative agent in receiving, contracting and disbursing funds (the recovery rate for which is set globally at 1%), the cost of UNDP's function as managing agent for funds contracted to NGOs (currently set at 7% of the total disbursed to NGOs)

and including the costs of the new Monitoring and Reporting function added to the fund in 2013, the total cost was 5% of the total value of the fund (see Figure 14 below). This is consistent with the fees charged by the World Bank for administering trust funds, which are set at 5%.<sup>34</sup>

Figure 14: Costs of CHF core business in 2013



\*Costs of M&R officers based on 2012 allocation

Source: Based on data from UN OCHA FTS, OCHA and UNDP annual reports.

There is an ongoing debate around the value of the service provided by UNDP as managing agent. In particular, concerns have been expressed by donors as to a lack of transparency around how UNDP accounts for the 7% it levies on funds it manages. An OCHA Mission Report in late 2013, for example, recommends that a revised agreement be reached with UNDP on their responsibilities under the management function and a reduction in the current 7% fee (Son, 2013). In particular, clarification of UNDP's role in relation to programmatic monitoring is noted, particularly given that this function is now being funded by the cluster-embedded M&R officers and funded directly from the CHF. There may therefore be some limited opportunities to reduce or at least gain better value from the funds currently expended on administering and managing the CHF.

There is a common perception that the CHF is particularly good value for donors, who have transferred a significant management and administrative burden to the CHF and the clusters and their members. Early evaluations of the CHF also note a freeing up of donor capacity as one notable

<sup>34</sup> The World Bank's standard fees are as follows: 'An initial flat set-up fee of \$35,000 plus a standard fee of 5 percent is charged for co-financing trust funds less than US\$ 30 million, for Bank-executed trust funds regardless of size, and for project preparation trust funds regardless of size' (World Bank, 2009).

outcome of the creation of the CHF (Stoddard et al., 2006). However, where the CHF has made efficiency gains for donors costs have been transferred elsewhere and there is a compelling case for CHF-contributing donors to help to defray these costs through complementary modes of support.

The cost of sub-contracting was frequently raised as an area of concern in relation to cost-effectiveness (and indeed timeliness). The CHF tries to discourage pass-through funding where it does not add programmatic value and encourages clusters to try to screen and exclude projects at the cluster review stage, and anecdotally sub-contracting appears to have decreased since the early years of the fund. In 2012, OCHA reports that 18 projects (15 UN agency and three international NGO) sub-granted part of the funds received to secondary implementing partners (OCHA, 2013). The extent and financial cost of sub-contracting was not possible to determine as UNDP report that they do not track this information when contracting and monitoring partners. However, in principle the cost of sub-contracting is borne by the final recipient, rather than being deducted multiple times from the overall CHF allocation. First-level recipients are permitted to retain 7% of funds to cover their overhead costs, but if they subcontract part of the grant further they may not award another 7% to the secondary recipient; rather the two parties must 'share' the 7%. Funding recipients could then for example choose to retain 3% of the value of the funds awarded to cover their own overheads, and allocate 4% to sub-contracted partners. The final recipient therefore is likely to receive a very low level of overhead costs.

Most organisations have overhead costs well in excess of 7% and almost certainly in excess of a sub-contracted share of that 7%. It is likely to be the case then that the final recipient may have to in effect subsidise the real cost of implementing activities through other funding sources. In addition, many fund recipients raised concerns about restrictions on allowable costs. From the perspective of recipient agencies, and NGOs in particular, the overhead costs and allowable costs in relation to direct staff costs do not reflect the real cost of operating in South Sudan. In which case, those costs are transferred to other donors. The CHF may therefore be cost-effective from the perspective of contributing donors, but not from the perspective of co-financing donors who may be subsidising the real costs of delivering CHF-funded projects. It was not feasible within the scope of the study to investigate this matter further, but this is certainly an area worthy of further study. Logically, if it is indeed the case that the CHF transfers costs to other donors, CHF donors would then have a responsibility to help meet these costs through alternative means, such as by providing core funding to agencies.

In transferring decision-making to country level, operational and coordinating agencies have had to increase their capacity to engage in cluster-led analysis, prioritisation and decision-making processes. Obviously this comes at a financial cost and some CHF contributing donors contribute to offsetting these costs through for example financing cluster lead or co-lead positions or providing agencies with core funding support.

The CHF has taken steps to encourage a consideration of value for money in developing and reviewing proposals at the cluster level, clusters have been encouraged to develop their own criteria for scoring projects for value for money and detailed budget sheets were developed to help reviewers more clearly identify direct and indirect costs (OCHA, 2014). No empirical evidence could be found to indicate the appropriateness of the criteria or the impact of this so it is not currently possible to assess the effectiveness of the CHF in promoting more cost-effective programming, but

in principle the CHF Technical Secretariat is actively promoting more cost-effective use of CHF funds. In addition there is an accepted belief that common procurement offers better value for money through bulk procurement, transport and storage of relief items such as non-food items and as a strong supporter of the common pipelines, the CHF may be inferred to be contributing significantly to these anticipated cost-savings.<sup>35</sup>

In conclusion, the CHF itself may be seen to offer a range of cost-efficiency gains from the perspective of contributing donors and it seeks to promote more cost-efficient delivery of projects. The cost of administering and managing the fund itself is judged overall to be reasonable, even with the added cost of monitoring and reporting. However, the CHF has also transferred costs elsewhere, notably in participation and coordination and potentially in allowing unrealistically low overheads and inflexible allowable costs which do not reflect the operational realities of a context where direct project costs are expensive and where there is high reliance on expatriate staff. Cost-efficiency for contributing donors may not therefore correspond with cost-efficiency for recipient agencies and for donors who co-finance CHF funded projects. It is not currently feasible to assess the cost-efficiency of activities carried out by projects and pipelines on an objective basis since no known analysis has been conducted in this area.

### 4.3. Effectiveness

The following section considers the effectiveness of the CHF, predominantly in relation to the effectiveness of the functioning of the mechanisms and how this meets Dutch policy commitments. A more detailed description of the challenges and gaps in the evidence base for evaluating the effectiveness of investments in CHF-funded activities is also included here. Throughout this section there are also reflections on expectations and interpretations of the purpose of the CHF, in particular whether and the extent to which its primary purpose is to fulfil a gap-filling or a strategic funding function.

#### 4.3.1. Response to main characteristics of the crisis

The ability of the CHF to respond to the needs of the crisis is strongly influenced by two major factors outside of its direct control. The first is the availability of evidence which would enable a robust analysis of the needs and priorities, and the second the political and funding landscape in which the CHF operates.

The quality of evidence on which humanitarian funding decisions are made in South Sudan has long been understood to be poor (Poole and Primrose, 2010). The evidence base has improved incrementally across the humanitarian community from a very low baseline in recent years, but these tools and analytical processes have struggled to keep pace with the current rapidly changing crisis and a lack of current evidence is a gap keenly felt by many responding agencies, coordinating actors and donors.

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<sup>35</sup> It should be noted that some agencies challenged the logic that logistics transport costs incurred outside the pipeline were not supported by the CHF on the basis that organisations felt they needed to keep reserve stocks and to maintain some ability to transport goods to places in case the common pipelines might be unable to deliver.

*Box 7: Improvements in the evidence base for humanitarian decision-making*

Information and evidence collected in South Sudan has improved significantly since the signing of the CPA. A country-wide household survey was conducted in 2006, providing key baseline information on health and nutrition for the first time in 20 years. In 2008, a Sudan-wide population census was completed.

The food security and livelihoods cluster has instituted the Integrated Phase Classification (IPC) system and is therefore engaged in routine monitoring of key food security indicators in addition to the major annual needs and livelihoods assessment (ANLA). The EU via FAO has invested in government capacity to analyse market information through Crop and Livestock Information System (CLIMIS). WFP's assessment and analysis evolved to support its shift from blanket food distributions to targeted assistance from 2005 onwards and the ANLA shifted towards devolving analysis to state level in 2012. This shift enables greater inclusion of national actors at the state level, and better reflects government policy and priorities as well as building domestic surveillance and analytical capacity (WFP, 2013).

The tracking of returnees has improved considerably since the early years of the interim period, although returns may not be routinely tracked after their initial return movement. Returnees in Renk for example have been registered along with their biometric details (IOM, 2013).

Health and nutrition surveillance has gradually improved with continued investment and support to the Ministry of Health, in particular via WHO.

OCHA introduced standardised multi-cluster Initial Rapid Needs Assessment (IRNA) tool, which was developed with the clusters in 2012, and OCHA-led multi-cluster assessments using the IRNA were felt by cluster members to be a significant improvement on previous practice. Notably, the IRNA includes questions to disaggregate data on the age and gender of affected populations.

The quality of analysis in the SRP is felt by donors and cluster members to be relatively robust – though there are variations in quality across clusters. OCHA is now systematically collecting data on security incidents.

However, despite these considerable advances huge gaps in the evidence base remain – not least that the fundamental baseline evidence is not considered reliable: the census was highly contested and much has changed, including the return of around two million displaced people – since the 2006 household survey was completed. And while there are large-scale surveillance systems in the form of facility-based health and nutrition surveillance, food security and livelihoods surveillance systems and returns monitoring, these cannot provide sufficient operational information to plan responses.

In the absence of evidence, narratives about the crisis have a powerful conditioning influence on what is prioritised for funding. There is a popular narrative about 'hotspots' of humanitarian need (usually shorthand for areas of major conflict displacement) and needs based on status (i.e. refugees and IDPs) that is logical and probably fairly representative of the elevated levels of need and risk in these locations and populations, but nevertheless does not constitute an evidence-based analysis of needs and is therefore vulnerable to distortion and omission.

In recognition of these problems, OCHA developed a composite risk index based on available information including data on displacement, food security and conflict incidence intended to provide a more objective prioritisation of geographic regions.

At the most fundamental level therefore it is difficult to determine with confidence whether the CHF has met the needs of the crisis given that the baseline is deficient. In practice, the Advisory Board develops allocation papers based on their best estimates of priorities and gaps derived in principle in consultation with the clusters. This analysis is therefore based largely on consensus opinion (which is to a degree based on analysis of evidence within the clusters) rather than objective evidence.

However, there is evidence to indicate that, on the whole, the CHF has remained responsive to the changing context and needs. Part of the changing context of course relates to the variable performance of development financing and development assistance and the reliance on humanitarian funding to fill gaps in financing basic service provision.

Responding to a significantly reduced envelope and escalating needs in 2008, the Advisory Board with the HC came up with a set of priorities including three priority categories: Category A: Core Pipelines; Category B: Existing Safety Net and Essential Common Services; Category C: 'Big Ticket, Big Win' Sector Portfolios (Poole and Primrose, 2010). These priorities aimed to help focus the existing workplan-linked objectives and priorities which had hitherto informed CHF priority-setting. In fact only categories A and B were funded and these have remained the central organising pillars of CHF allocations ever since, supplemented with additional geographical and cluster priorities (see Annex 6 for a summary of allocation paper priorities).

The need to support core pipelines which benefit the wider humanitarian community is broadly accepted by most humanitarian actors. The concept of 'safety-nets' is sufficiently broad to enable a variety of interpretations. For example, priorities in 2010 were listed as 'maintaining the existing safety net in the three key sectors of basic health services, education and water and sanitation'. This is consistent with the relatively broad interpretation of humanitarian needs during that period when responding to the main characteristics of the crisis included filling gaps in recovery and development funding.

In 2011, as the humanitarian situation deteriorated with increased conflict and displacements in the Protocol Areas,<sup>36</sup> particularly South Kordofan in the aftermath of the referendum, a sharper focus on the emergency mandate of the fund became evident. In 2011 an additional priority-setting exercise was undertaken by sectors to identify projects meeting 'urgent humanitarian needs' and policy documents note that the CHF was not designed to meet core funding requirements, but rather to meet urgent humanitarian needs and to address critical gaps.

By 2012, the humanitarian situation was deteriorating sharply, with a growing refugee crisis in Upper Nile, anticipated returns from Sudan following secession, multiple instances of internal conflict, growing food insecurity and a political and economic crisis with suspension of oil production and anticipated fiscal austerity. Priorities were expressed with a much clearer emphasis on emergency and lifesaving needs. For example, priorities included 'supporting emergency safety-nets in hot-spot areas with large numbers of vulnerable people including displaced, refugees and returnees' in the first-round allocation. A substantial volume of funds in 2012 were directed towards the response to the refugee crisis in northern Upper Nile, with USD24 million allocated to 'Multi-sector' activities via UNHCR (see Figure 15 below). In the second standard allocation, in line with a decision to prioritise lifesaving activities, the decision was taken to exclude WFP from eligibility in favour of prioritising the core pipelines and common services.

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<sup>36</sup> The shorthand 'Protocol Areas' refers to the three areas of Abyei, the Nuba Mountains in South Kordofan and Southern Blue Nile identified as contentious under the 1956 independence boundaries in the 2002 Machakos Protocol, one of the foundational protocols of the later CPA.



In 2013, with continued high levels of humanitarian need, reduced funding contributions and growing expectations that development financing, particularly in health, would take on a greater share of financing for basic service provision, the CHF recommended using CERF lifesaving criteria to narrow the scope of eligible activities.

In 2014, the CHF was the first major donor to allocate funds and allocations were noted as being effectively targeted – supporting pipelines and larger agencies with the capacity to respond at scale – in order to facilitate rapid scale-up. In this major test, the CHF successfully shifted gear from its more typical ‘gap-filling’ and ‘top-up-funding’ modus operandi to a much more strategic, rapid and flexible approach. There was a clear shift in sectoral emphasis in 2014 towards ‘lifesaving’ activities with increased funding allocated for health, WASH, shelter and NFIs, and a resumption of funding for food aid. Education, agriculture and mine action received reduced allocations in 2014.

The CHF has played a key balancing and gap-filling function across clusters, helping to ensure that clusters and activities within clusters which are considered a priority under the SRP receive funding. Clusters which are often less appealing to bilateral donors have benefitted from CHF funds to a significant extent. Education for example has frequently received a large proportion of its funds via the CHF, and in 2013 the CHF provided 27% of funds to the education cluster, but for two-thirds of CHF-supported partners these contributions represented 75% or more of the total funds they received in that year. However, gaps and priorities shift rapidly and the flip-side of the CHF’s responsiveness to changing needs is a lack of predictability from year to year for habitually under-funded clusters. In 2014, for example, the education cluster, no longer considered a high priority in the context of the crisis, received less than half the amount it had done the previous year.

Figure 15: CHF funding allocated by IASC Standard Sectors 2012-14

|                                       | 2012      |                          | 2013      |                          | 2014      |                          |
|---------------------------------------|-----------|--------------------------|-----------|--------------------------|-----------|--------------------------|
|                                       | CHF (USD) | CHF as % of appeal funds | CHF (USD) | CHF as % of appeal funds | CHF (USD) | CHF as % of appeal funds |
| Health                                | 24        | 22%                      | 26        | 26%                      | 30        | 19%                      |
| Water and sanitation                  | 16        | 26%                      | 13        | 27%                      | 23        | 21%                      |
| Coordination and support services     | 12        | 19%                      | 14        | 10%                      | 7         | 5%                       |
| Multi-sector                          | 24        | 21%                      | 7         | 6%                       | 2         | 2%                       |
| Shelter and NFIs                      | 7         | 40%                      | 6         | 58%                      | 19        | 53%                      |
| Protection/Human rights/Rule of law   | 5         | 25%                      | 6         | 26%                      | 12        | 25%                      |
| Food                                  | -         | 0%                       | 2         | 1%                       | 17        | 3%                       |
| Education                             | 8         | 59%                      | 7         | 27%                      | 3         | 14%                      |
| Agriculture                           | 10        | 9%                       | 7         | 30%                      | -         | 0%                       |
| Mine action                           | 1         | 3%                       | 2         | 6%                       | 1         | 7%                       |
| Economic recovery and infrastructure* | -         | 0%                       | 2         | 13%                      | 2         | 92%                      |
| Sector not yet specified              | -         | 0%                       | -         | 0%                       | 2         | 2%                       |
| Safety and security                   | 1         | 100%                     | 0         | 100%                     | -         |                          |

Source: UNOCHA FTS. \*Funding to the Emergency Telecommunications cluster is included under IASC standard sector ‘Economic recovery and infrastructure’.

Based on observations of available evidence including funding policy priorities and broad allocation patterns in relation to the major crisis events and patterns of needs, and shifting levels of development financing capabilities, the CHF has proved responsive to the major characteristics of the crisis and therefore supports the Dutch policy commitment of supporting a ‘demand-driven’ financing response. It is worth noting that there are inevitably winners and losers in this constantly

shifting emphasis on gaps in relation to the current characteristics of the crisis, and while the CHF provides a critical balancing and gap-filling function at the crisis level it cannot provide a long-term solution to habitual under-funding for some clusters and activities. In addition, since the evidence on needs is limited, priorities are more common sense and consensus- than evidence-based and there is no independent verification of results or assessment of outcomes, it is not currently possible to provide an objective and evidence-based assessment of the accuracy of analysis of the crisis, the appropriateness of priorities identified or the effectiveness of the projects funded.

#### 4.3.2. Response to unforeseen needs

The CHF has responded strategically and effectively to rapid increases in humanitarian needs in the last three years in particular through judicious use of reserve and standard allocations alongside other sources of surge funding and particularly the CERF.

The majority of CHF funds in a typical year are allocated to anticipated needs, both through support to the common pipelines and the two standard allocations. The principal mechanism through which the CHF responds to unforeseen needs is the reserve mechanism.

The use of the reserve mechanism has varied considerably during the review period. For example, in 2012 the CHF allocated 23% of funds through the reserve mechanism; in 2013 just 1% was allocated via the reserve mechanism, when the reserve supported two small projects (totalling USD866,000) responding to localised disease outbreaks. In 2014, however, the reserve mechanism constituted 43% of the total CHF funds disbursed.

The reserve mechanism has been used strategically alongside rapid response funds accessed through the CERF. During the 2012 refugee crisis in Upper Nile, for example, a CERF Rapid Response allocation of USD20 million was directed to UN programmes, while a CHF reserve allocation of USD10 million was directed to NGO projects (OCHA, 2013). While the CHF reserve mechanism was not used to a great extent in 2013, a CERF Rapid Response allocation of USD12 million was used to fund 'high-cost items', including helicopter services, to reduce pressure to divert CHF funds supporting needs elsewhere in South Sudan (OCHA, 2014a).

In 2014, the CHF reserve was used strategically to enable rapid scale up, bridge funding gaps and enable and stimulate response in under-served areas of high need. The emergency reserve was deployed to bridge a funding gap in the early stages of scale up to the crisis, which OCHA noted in particular was impacting the ability of partners to procure and transport seeds.<sup>37</sup> A CHF reserve allocation in January 2014 was used to fund livelihoods supplies, as well as shelter and NFI items, and two further standard and reserve allocations were completed in June/July. Perhaps the most significant aspect of the CHF reserve in 2014, however, was the innovation of the Rapid Response Mechanism (RRM) which drew on CHF funds to enable and stimulate response in some of the most challenging areas (see Box 8 below). In this respect, the CHF may be considered to have played a much more strategic role in helping to set priorities and drive the HC and OCHA's response plan, as opposed to simply 'gap filling'.

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[https://docs.unocha.org/sites/dms/SouthSudan/2014%20South%20Sudan/SOUTH%20SUDAN%20CRP%202014\\_MYR.pdf](https://docs.unocha.org/sites/dms/SouthSudan/2014%20South%20Sudan/SOUTH%20SUDAN%20CRP%202014_MYR.pdf).

*Box 8: Rapid response mechanisms*

In 2014, OCHA developed the 'Area Rapid Response model' to facilitate the expansion of humanitarian assistance into 30 hard-to-reach areas of South Sudan. The mechanism was devised to respond to the fact that the early response to the crisis had focused on accessible populations in PoC sites, and although more than 60 initial rapid needs assessments had been conducted up to April 2014, responses had tended to be slow and incomplete where they had happened at all and based on the belief that under-utilised 'residual capacity' exists among humanitarian actors. A major focus of the RRM model is to support and facilitate response, particularly NGO-led response in remote and underserved areas.

The RRM focuses on supporting integrated responses in priority clusters including FSL, health, nutrition, NFIs/Emergency Shelter, WASH and protection and uses existing coordination arrangements, including an inter-cluster working group under the leadership of the HC to assist in prioritisation and coordination of response. According to OCHA, the RRM represents an 'explicit shift in focus within leadership and co-ordination arrangements from process and information sharing to planning and delivery of tangible results on the ground for people in need'.

The RRM received USD40 million in financial support from the CHF in the second CHF standard allocation in 2014 to support four modes of operations including:

- **Mobile teams:** an estimated eight mobile teams resourced for an initial period of six to nine months.
- **In-area first providers:** an estimated 10-12 first providers are expected to be resourced for an initial period of six to nine months.
- **Air assets:** fixed-wing and helicopters for transportation of supplies and personnel managed by the Logistics Cluster.
- **Staffing hubs:** establishment of accommodation hubs and/or upgrading of existing facilities.

Several organisations, including UNICEF, WFP, FAO and IOM, established their own rapid response mechanisms in 2014 to quickly assess needs and deliver a core package of lifesaving assistance in areas that do not require a permanent response, or where no partner is currently able to set up longer-term activities. These mechanisms are supported by common logistical assets, including UNHAS and the Logistics Cluster air fleet. By mid-2014, these agencies had assisted 419,000 people in 26 of 41 hard-to-reach displacement sites, with more than one million people expected to be reached by the end of the year.

ECHO has supported a variety of Emergency Preparedness and Response (EP&R) capabilities and teams with key partners, including leading INGOs.

Adapted from OCHA 2014b and OCHA 2014c

It should be noted, however, that while the CHF has demonstrated added value in responding to unforeseen needs, and there is evidence to confirm that the CHF has worked in a complementary way with other rapid funding mechanisms, the need for the CHF to deliver a transparent and consultative allocation process and the speed at which funds can actually be contracted and disbursed via UNDP limit the effectiveness of the CHF's rapid response capabilities. In reality, the CHF exists alongside a number of sources of surge funding – including a USAID-funded rapid response fund managed by IOM, the CERF, rapid drawdown facilities negotiated with bilateral donors, internal agency reserves and contingency funds. Many agencies made clear that, in the early stages of scaling up a response to unforeseen needs, they would typically draw on other sources of financing first, notably internal agency reserves for those who have them, which they considered more timely and reliable.

While the new CHF for South Sudan has proved responsive to meeting unforeseen needs – and indeed has demonstrated considerable creativity and flexibility in supporting the creation of the

rapid response mechanism in 2014 – by virtue of its design the CHF cannot meet all requirements nor achieve the speed required in order to act as a leading mechanism in responding to unforeseen financing needs and should therefore be viewed as one component of the architecture necessary to support effective surge financing.

#### 4.3.3. Programming results

The best available evidence on what has been achieved with CHF funding in South Sudan is the output level reporting from implementing agencies, collected by clusters and reported by the CHF secretariat in its annual reports. Reporting is against a set of standard output indicators agreed when the CHF for South Sudan was established in early 2012. These were modified based on feedback from their implementation in 2012, and therefore output evidence is not always directly comparable between 2012 and 2013. In particular, disaggregating results attributable to CHF funding from co-financed projects is noted as a major challenge (OCHA, 2013). A summary of outputs achieved against CHF indicators is listed in Figure 16.

Collecting and collating this information is a major improvement on the earlier years of the CHF and notable results include that 1.6 million people were reached with CHF-funded activities. In addition, collectively cluster partners have on the whole achieved good results in relation to their targets, typically achieving in excess of 60% of targeted outputs and in a number of cases well in excess of targets. For example, in 2013 1.7 million people accessed CHF-funded health services, which represents a 120% achievement of the cluster target of 1.4 million beneficiaries.<sup>38</sup>

Partner reporting focuses on output-level results tracked against project targets (see Box 7 in section 4.2.7. above) with the addition of narrative commentary on challenges, lessons learned and stories illustrating beneficiary perspectives and activities undertaken. A sample of information reported from funding recipients in the food security and livelihoods (FSL) cluster is detailed in Box 9 below. Partners may include some useful context for understanding results and describing achievements and challenges not included in the quantitative results tracking. For example, the international NGO reporting in Box 9 noted that conflict, cattle raiding and flooding limited movement to project sites.

As noted above in section 4.2.7. however, evidence on results is predominantly self-reported and unverified. The introduction of the M&R officers should ensure that at least some project results are cross-checked through monitoring visits and this function may drive performance improvements and a more open and honest dialogue around results. Throughout most of the study period, however, the vast majority of reported results have not been verified and therefore at the most fundamental level one cannot really know what has been achieved with CHF funds.

At the aggregate level there is no evidence or analysis of the timeliness, quality, appropriateness and cost-efficiency of responses. It is extremely difficult for donors to make sense of the results they have contributed to. For example, it is not clear what it means that CHF-funded projects provided 447,318 people with hand tools in 2012 (101% of the target) and that, in 2013, just 97,525 people received hand tools (70% of target). Insecurity and flooding are mentioned as challenges in 2013 in distributing seeds and tools, but no further analysis is provided to help the reader understand why,

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<sup>38</sup> Note that the total is in excess of the total of number reported as reached with CHF-funded activities. This difference may hinge on difficulties in attributing results to CHF funding as opposed to outputs of activities where CHF is a contributing donor.

despite receiving 29% less funding in 2013 (USD8.9 million in 2013 compared with USD12.5 million in 2012), targets and results were significantly lower. For example, in 2013 138,868 people were targeted for hand tool distributions compared with 473,222 in 2012, a reduction in the target of 71% – of which only 70% of the target results were achieved.

There is a long-running debate between donors, OCHA and UNDP as to responsibilities and expectations around accountability for the CHF. As outlined in section 4.2.7. above, significant improvements in the quality of evidence would require increased investment on the part of donors. But there may also be scope for donors to reflect on their information requirements and to negotiate with OCHA to package and present information differently. For example, many donors require human interest stories, which are in fact collected from partners and could therefore in principle be easily supplied. The analysis of clusters in the annual CHF report could potentially also be adjusted to include more focus on contextualising results and drawing clearer links between challenges and notable successes and quantitative results reported.

Box 9: Sample results reported in the FSL cluster in 2013

|   |   |
|---|---|
| <p><b>Partner 1. National NGO</b><br/>                 CHF funds received: USD 60,000<br/>                 Other funds: USD 128,185</p>   |   |
| <p>Number of people provided with seeds:<br/>                 Planned: 2,660<br/>                 Achieved mid-term report: 2,036<br/>                 Achieved final report: 2,629</p>   | <p>Training for seeds and tool recipient farmers:<br/>                 Planned: 100<br/>                 Achieved mid-term report: 54<br/>                 Achieved final report: 142</p>   |
| <p>Sample commentary:<br/>                 This report highlights the series of agricultural activities implemented between October 2013 to March 2014 with funding support from CHF. The local market was influenced by the increased production of vegetables notably the okra and Jews mallow, farmers did not have the seeds before and as the result of providing them with seeds the market price of Okra which is the most preferred vegetable by the local community dropped from 5ssp for one bundle to 2 ssp .The achieved outputs including the distribution of 1180 direct beneficiaries with assorted vegetable seeds that include okra, kudra, tomatoes and kale just to mentioned few with aim of increased vegetable consumption at household level and improved the nutrition status of women and children. We have trained and equipped 156 promoters or contact farmers on vegetable production that took place during the dry season and supplies them with 200 farm equipment that include waterings and have also helped the to form farmers group of 10 groups each with 50 members in five locations. We have also encouraged communities to make use of abundant river banks as sources of micro-irrigation for small scale vegetable growing specially during dry season farming activities. There have been increased number of vegetable producers this year compared to 2012/2013 and Akobo county in the payam where CHF funds have been used to assist these farmers have witnessed availability of locally produced vegetable in the local market. Approximately 2629 people both gender directly benefited from our intervention and have improved access to some of vegetable seeds and tools and have resulted in increased vegetable production kitchen gardening along the river banks. We have also equipped 155 youths with business skills and management with focusing on vocational linking to the market and self-reliance and some now own some ventures such welding, growing vegetables</p> |   |
| <p><b>Partner 2. International NGO</b><br/>                 CHF funds received: USD 250,000<br/>                 Other funds received: None recorded.</p>   |   |
| <p>Total direct beneficiaries<br/>                 Planned: 16,000<br/>                 Achieved mid-term report: 2,000 households selected<br/>                 Achieved final report: 16,000 (2,000 households) Among these beneficiaries targeted, 90% were female beneficiaries and 10% men. Beneficiaries received vouchers and exchanged it with staple crop seeds and have planted and harvested their crops.</p>  | <p>Number of agricultural tools distributed:<br/>                 Planned: 4,000<br/>                 Achieved mid-term report: 4,000 malodas and sickles distributed through voucher exchange.<br/>                 Achieved final report: 4,000</p> |
| <p>Sample commentary on challenges:<br/>                 The progress made during the project implementation was to redesign a sustainable exit strategy through the use of a seed banking system. Community mobilization and sensitization was done to facilitate the recovery of seeds during the harvest season. 60 ssp or its equivalent is seeds is expected to be recovered from each</p>   |   |

beneficiary that received 165 ssp value of vouchers for seeds and tools. the recovery is expected to take place in November after the beneficiaries have dried their seeds. This money will be collected by a committee which has already been formed. The money will be used to purchase seeds to farmers in the nearby villages and each group will benefit from a local storage structure to be built during the harvest period through the present ECHO running project. However, insecurity due to tribal conflicts such as cattle raiding plus the flooding limited our movement to some project sites. Flooding also affected especially ground nut during the project period. Border issue between South Sudan and Sudan in which Twic county is immediate area to Abyei always received large numbers of Internal displaced persons when Miseria attacked Abyei this year 2013. the project funds were not able to respond to such crisis.

**Partner 3. UN agency**

CHF funds received: Not stated

Total direct beneficiaries: 25,000

Achieved mid-term report: 22,500

Achieved final report: 22,500

It was a challenge to find credible partners to implement the FAO input seed fair (ITF) intervention in Warrap, Unity and Upper Nile States. A lack of credible partners to implement the ITF intervention interrupted the realization of effective results

Beneficiaries reached by supplies from the pipeline:

Planned: 150,000

Achieved mid-term report: 135,000





Achieved final report: 135,000

Lack of credible implementing partners to implement the ITF programme


Commentary not required by reporting template.




*Source: CHF partner final reports, 2013.*


Figure 16: Summary of output-level results of CHF funded projects in 2012 and 2013

| Coordination and Common Services  | Year | CHF funding                                 | Number of humanitarian personnel transported for urgent humanitarian missions | No. of security assessment missions carried out   | Number of airstrips assessed   |
|---|------|---|---|---|--|
|    | 2012 | \$1.6 million (16% of secured funding)      | 384   | 93  | 54   |
|   | 2013 | \$0.4 million (3% of secured funding)       | 157   | Planned: 58<br>Achieved: 27 (47%)   | 19   |
| Education   | Year | CHF funding                                 | Number of Temporary Learning Spaces established                               | No. of School in a Box and Recreation kits distributed to emergency affected children, youth and teachers | No. of emergency affected children and youth attending temporary learning spaces |
|    | 2012 | \$7.8 million (59% of secured funding)      | Planned: 339<br>Achieved: 292 (86%)   | Planned: 3,841<br>Achieved: 3,453 (90%)   | Planned: 46,245<br>Achieved: 47,296 (102%)                                       |
|   | 2013 | \$6.7 million (27% of secured funding)      | Planned: 467<br>Achieved: 300 (64%)   | Planned: 1,830<br>Achieved: 1,465 (80%)   | Planned: 124,214<br>Achieved: 109,693 (88%)                                      |
| Emergency Telecommunications  | Year | CHF funding                                 | No. of UN and NGO staff members trained on ETC services usage                 | No. of users reporting delivery of the service as 'satisfactory' and within 'satisfactory' timeframe      | No. of emergency areas covered   |
|  | 2012 | \$0.2 million (14% of secured funding)      | Planned: 400<br>Achieved: 449 (112%)  | Planned: 80%<br>Achieved: 90%   | New indicator in 2013  |
|   | 2013 | \$0.6 million (82% of secured funding)      | Planned: 200<br>Achieved: 145 (73%)   | Planned: 80%<br>Achieved: 92%   | Planned: 5<br>Achieved: 7 (140%)   |
| Food Security and Livelihoods   | Year | CHF funding                                 | No. of people provided with seeds   | No. of people provided with hand tools  | No. of heads of livestock vaccinated   |
|  | 2012 | \$12.5 million (27% of livelihoods funding) | Planned: 597,550<br>Achieved: 634,187 (106%)                                  | Planned: 473,222<br>Achieved: 447,318 (101%)  | Planned: 2,554,077<br>Achieved: 1,131,421 (44%)                                  |
|   | 2013 | \$8.9m (17% of livelihoods funding)         | Planned: 170,161<br>Achieved: 113,378 (67%)                                   | Planned: 138,868<br>Achieved: 97,525 (70%)  | Planned: 2,060,800<br>Achieved: 1,590,002 (77%)                                  |



| <b>Health</b>   | <b>Year</b> | <b>CHF funding</b>   | <b>No. of beneficiaries from health services</b>  | <b>No. of children under five given measles vaccination</b>   | <b>No. of births attended by skilled birth attendants</b>         |
|---|-------------|--|---|---|---|
|    | 2012        | \$12.5 million (22% of secured funding)  | New indicator in 2013   | Planned: 542,677<br>Achieved: 512,148 (94%)   | Planned: 8,403<br>Achieved: 31,604 (376%)                         |
|   | 2013        | \$14.4 million (20% of secured funding)  | Planned: 1,405,025<br>Achieved: 1,683,994 (120%)  | Planned: 63,105<br>Achieved: 226,761 (359%)   | Planned: 11,672<br>Achieved: 7,803 (67%)                          |
| <b>Logistics</b>  | <b>Year</b> | <b>CHF funding</b>   | <b>Humanitarian cargo moved by truck (MTs)</b>  | <b>Humanitarian cargo moved by barge boat (MTs)</b>   | <b>Cargo Movement Requests (Barge, Boat and trucks) executed</b>  |
|    | 2012        | \$14.8 million (27% of secured funding)  | Planned: 2,820<br>Achieved: 4,835 (171%)  | Planned: 2,380<br>Achieved: 1,903 (80%)   | New indicator in 2013.  |
|   | 2013        | \$12.2 million (21% of secured funding)  | Planned: 2,680<br>Achieved: 4,476 (176%)  | Planned: 1,870<br>Achieved: 658 (35%)   | Planned: 1,220<br>Achieved: 404 (33%)                             |
| <b>Mine Action</b>  | <b>Year</b> | <b>CHF funding</b>   | <b>No. of square metres of hazardous areas and minefields cleared and released to local communities</b> | <b>Total direct beneficiaries – benefitting from demining activities, Mine Risk Education and the Landmine Safety Project</b> | <b>No. of ERWs destroyed</b>                                      |
|   | 2012        | \$1.6 million (4% of secured funding)  | Planned: 340,000<br>Achieved: 532,769 (157%)  | New indicator in 2013   | New indicator in 2013   |
|   | 2013        | \$1.4 million (5% of secured funding)  | Not reported in 2013  | Planned: 261,150<br>Actual: 425,096 (163%)  | Planned: 11,600<br>Actual: 14,993 (129%)                          |
| <b>Multi-sector</b>   | <b>Year</b> | <b>CHF funding</b>   | <b>No. of returnees assisted to repatriate/return</b>   | <b>No. of refugees provided with full NFI kits</b>  | <b>Number of nutrition feeding centres established/maintained</b> |
|  | 2012        | \$24.4 million (21% of secured funding)  | Planned: 24,000<br>Achieved: 25,081 (105%)  | Planned: 162,693<br>Achieved: 170,954 (105%)  | New indicator in 2013   |
|   | 2013        | \$5.1 million (23% of secured funding: returnee programmes)<br>\$3.3 million (3% of secured funding: refugee programmes) | Planned: 3,000<br>Achieved: 4,050 (135%)  | Not reported in 2013  | Planned: 15<br>Achieved: 14 (93%)                                 |

| <b>NFIs and Emergency Shelter</b>  | <b>Year</b> | <b>CHF funding</b>                      | <b>No. of emergency or disaster affected people provided with NFI or loose items</b>  | <b>No. of NFI and ES kits procured, transported and stored in partner warehouses</b> | <b>No. of post-distribution reports informing improved NFI assessment, targeting and distribution</b> |
|--|-------------|---|---|--|---|
|   | 2012        | \$7 million (40% of secured funding)    | Planned: 551,750<br>Achieved: 573,556<br>(104%)   | Planned: 102,000<br>Achieved: 118,416<br>(116%)                                      | Planned: 36<br>Achieved: 27<br>(75%)  |
|  | 2013        | \$5.8 million (56% of secured funding)  | Planned: 308,853<br>Achieved: 524,718<br>(170%)   | Planned: 87,400<br>Achieved: 85,270<br>(98%)   | Planned: 36<br>Achieved: 11<br>(31%)  |
| <b>Nutrition</b>   | <b>Year</b> | <b>CHF funding</b>                      | <b>Number of children admitted for the treatment of SAM</b>   | <b>No. of children and P&amp;LW treated for MAM</b>                                  | <b>No. community members reached with nutrition awareness and education</b>                           |
|   | 2012        | \$10.6 million (20% of secured funding) | Planned: 41,394<br>Achieved: 42,552<br>(103%)   | Planned: 143,570<br>Achieved: 62,614<br>(44%)  | Planned: 492,663<br>Achieved: 537,064<br>(109%)   |
|  | 2013        | \$12.9 million (30% of secured funding) | Planned: 48,228<br>Achieved: 42,839<br>(89%)  | Planned: 67,125<br>Achieved: 46,226<br>(69%)   | Planned: 123,026<br>Achieved: 401,623<br>(326%)   |
| <b>Protection</b>  | <b>Year</b> | <b>CHF funding</b>                      | <b>No. of people receiving protection advice and administrative/legal assistance (on return/(re)integration, service schemes and procedures, land and property matters or other rights)</b> | <b>Total direct beneficiaries</b>  | <b>No. of crisis-affected children receiving psychosocial support and services</b>                    |
|  | 2012        | \$5.5 million (25% of secured funding)  | Planned: 3,205<br>Achieved: 3,478<br>(109%)   | New indicator in 2013  | New indicator in 2013   |
|  | 2013        | \$5.9 million (26% of secured funding)  | Not reported in 2013  | Planned: 184,223<br>Achieved: 203,645<br>(111%)                                      | Planned: 18,920<br>Achieved: 24,478<br>(129%)   |
| <b>WASH</b>  | <b>Year</b> | <b>CHF funding</b>                      | <b>No. of people provided with sustained access to safe water supply (15 litres/person/day within 1 km distance)</b>  | <b>No. of new/ additional water points constructed</b>                               | <b>No. of new latrines constructed</b>  |
|  | 2012        | \$12.9 million (21% of secured funding) | Planned: 331,180<br>Achieved: 245,860<br>(74%)  | Planned: 69<br>Achieved: 71<br>(103%)  | Planned: 931<br>Achieved: 1,518<br>(163%)   |

|   |      |                                       |   |                                       |  |
|---|------|---------------------------------------|---|---------------------------------------|--|
|  | 2013 | \$12 million (27% of secured funding) | Planned: 279,028<br>Achieved: 310,721<br>(111%) | Planned: 102<br>Achieved: 82<br>(80%) | Planned: 1,155<br>Achieved: 845<br>(73%) |
|---|------|---------------------------------------|---|---------------------------------------|--|

Source: UN OCHA annual CHF reports, 2012 and 2013

#### 4.3.4. Resilience and local capacity-building

The South Sudan CHF by mandate and design does not actively promote resilience. The remit of the fund is expressly to address only priority humanitarian needs and not recovery or development activities, and indeed the Dutch government supports this closely circumscribed mandate.

In 2013, OCHA and the HC considered a shift in strategic priorities for the collective humanitarian response towards building resilience and national response capacity in the three-year Strategic Response Plan. But the CHF was not envisaged as supporting these two pillars; rather, in keeping with a progressively narrower emergency focus for the fund, the CHF was anticipated in this new transitional scenario as having a strict focus on meeting urgent humanitarian needs. The annual planning cycles of the fund also do not lend themselves to supporting resilience programming.

Historically the fund has supported a variety of non-humanitarian needs and primarily bridging gaps in development financing for basic service provision. As late as 2012, for example, the CHF was still being called upon to bridge funding gaps in the health sector where development funding had failed to deliver according to expectations.<sup>39</sup> By 2013, the CHF Secretariat had hoped to play a complementary role to development funding (OCHA, 2014a). In practice, however, coordination and referral between the CHF and development funding mechanisms is largely ad hoc rather than routine practice, and the CHF Secretariat noted the need to better map and coordinate funding from different mechanisms, particularly in the health sector.

Realistically, the CHF Secretariat would have very limited capacity to systematically engage and coordinate on transition finance issues across the board, and analysis of coverage and gaps that would facilitate a more efficient division of labour would logically fall to the clusters. This is a long-running challenge in South Sudan, which is unlikely to be addressed under the current crisis situation.

In some sectors the government takes a clearer leadership role in coordination, notably in health, but this is largely dependent on government capacity and there being a ministry which corresponds closely with the thematic areas covered by a cluster. Some NGOs also felt that the capacity of government staff at state level had substantially improved but CHF prioritisation processes have reportedly focussed increasingly on the central rather than state level in the last two or three years.. In reality the degree of inclusion of government actors in cluster processes and indeed the level of engagement between international humanitarian actors and the government has probably declined overall in recent years, linked to a broader cooling of relations beginning around the suspension of oil production by the government of South Sudan in 2012.<sup>40</sup>

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<sup>39</sup> Hutton (2013) notes, for example, that the delayed procurement of the new Emergencies Medical Fund would leave a gap in supply of several funds and that most likely humanitarian donors including the CHF would be approached to bridge the gap. OCHA (2013) also notes that, in 2012, the CHF helped to prevent disruption of activities in the health sector during the transition to longer-term funding mechanisms.

<sup>40</sup> In addition, the ability of the clusters to effectively align with 'ongoing recovery and rehabilitation work and longer-term development priorities', difficult at the best of times, appears to have suffered practical setbacks. An unfortunate confluence of events since 2011, for example, left humanitarian actors disconnected from government planning processes. The 2011 annual budget planning cycle fell at the same time as secession in July and was therefore delayed. Planning was further delayed as the Ministry of Finance and Economic

The CHF also does not have a mandate to strengthen local capacity. The CHF is an important and relatively accessible source of funding for national NGOs, and the CHF Secretariat and the clusters provide practical support to national NGOs to navigate CHF processes and, in some cases (notably the protection cluster), make a deliberate effort to prioritise funding for national NGOs. In some instances national NGOs have been very successful in consistently accessing CHF funds – Nile Hope, for example, as described in above section 4.2.3, has received more than USD1.5 million annually through the CHF in the last three years. However, many national NGOs are not so adept at navigating the CHF process and there are in effect a handful of favoured national NGOs.

#### 4.4. Key emerging findings and issues

Dutch funds channelled via the CHF have contributed to a more coordinated, efficient and effective response to a significant extent. The CHF in South Sudan has overall delivered expected results in terms of improved coordination when considered alongside a range of other instruments and reforms supporting coordinated humanitarian action – including a strengthened cluster system, improvements to the UN coordinated appeals process, improved needs assessments and baseline information.

However, there are a variety of outstanding challenges in relation to accounting for the outputs and outcomes of contributions channelled via the CHF. At the most fundamental level, it is not possible to assess whether investments via the CHF have been effective, and evidence on results is largely unverified and not sufficiently contextualised to facilitate analysis. OCHA has ramped up the M&E capabilities of the fund considerably since the creation of a separate CHF for South Sudan, but meeting this higher level of accountability will not be achievable in the foreseeable future.

An independent monitoring function servicing the whole coordinated response, not just the CHF, could be an appropriate solution to bridging a long-standing accountability deficit for the wider humanitarian community. However, achieving such a service would require considerable leadership, financial commitment from donors and clarity on what types of evidence are feasible and necessary for donors, and of course what types of evidence and feedback loops would provide the greatest impact in improving the collective response.

In the interim, donors collectively may benefit from reflecting on their essential accountability information requirements and discussing with OCHA the possibilities of better reflecting these in current reporting outputs. It should be simple for example to supply donors with human interest stories from CHF-funded projects and clusters may be able to fairly readily adjust their analysis in annual reports to better contextualise results for the reader.

There are also a number of outstanding questions in relation to the cost-efficiency of financing channelled via the CHF which are worthy of further investigation, which could be raised through the OCHA donor support group and CHF advisory group. Linked to the accountability gaps outlined above, the cost-efficiency of responses financed via the CHF is unknown. While the CHF has sought to encourage cost-efficiency in the cluster prioritisation processes, there is a lack of knowledge and guidance to enable them to do this effectively. The cost-efficiency of pass-through funding from the

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Planning focused its attention on contingencies for austerity during the oil dispute with Sudan and resulting fiscal crisis.

perspective of recipient organisations is also not currently well understood. If legitimate costs are indeed displaced onto other financing sources, this ought to be better understood and practical steps taken to manage this fairly and efficiently.

The CHF in South Sudan has made significant progress in enabling partners to access funding on a more level playing field and the share of funding received by both international and national NGOs has increased as a result. The relative quality of CHF funding from the perspective of different partners should be understood by donors, however: while the CHF may provide access to funding to meet priority needs, it is inherently unpredictable from the perspective of recipient agencies, is often not timely and may not cover the full costs of response. It is worth bearing in mind that many CHF fund recipients consider CHF funds as 'top-up' funding to their base funding, which may be more predictable, flexible and responsive. Therefore, in order to support partners effectively, a broader range of financing support is necessary.

The CHF delivers a more effective response through its role in supporting coordinated response plans to both predictable and unforeseen needs. The CHF in South Sudan has served a critical gap-filling function throughout the study period, preventing ruptures in core humanitarian pipelines, bridging funding gaps in basic service provision and providing vital financing support to under-funded clusters. In response to the current crisis, however, the CHF has started to play a much more strategic role with the creation of the RRM in addition to continuing to bridge funding gaps. There is no obvious connection between this shift and the empowered leadership mode mandated under L 3 crisis status. Rather, the CHF in South Sudan is by nature sufficiently flexible to serve as both a gap-filler and a strategic funding tool depending on the requirements of the context, the leadership of the HC and the ingenuity and ambition of OCHA. The effectiveness of the CHF in responding to the characteristics of the crisis therefore rides on the strength of leadership and coordination.

## 5. Assessment of Dutch support to the context

The following section considers Dutch humanitarian support, including the quality of Dutch partnerships with funding recipients and the appropriateness of the channels and partners supported in relation to Dutch policy priorities. This section therefore not only considers Dutch support to the CHF but also Dutch investments via bilateral partners and complementarity with investments from the Dutch development portfolio.

As outlined in section 3.2. above, Dutch humanitarian financing support to South Sudan in the study period included contributions to the CHF, bilateral contributions to the Care SERELIR project, unearmarked core and bilateral contributions to multilateral agencies and funds including the EU, UN agencies and the UN CERF, as well as a variety of potentially complementary development investments including projects funded through the Reconstruction tender.

### 5.1. Decision-making processes

Funding allocation decisions are taken centrally by the Humanitarian Division in The Hague in order to support a needs-based allocation of funds at the global level, which takes into consideration competing demands across a number of crises and ensures a firewall protecting a principled approach to humanitarian financing from more politically and economically motivated objectives in the Dutch government's coherent approach to development and international cooperation.

In practice, the majority of Dutch humanitarian funding is already designated for unearmarked funding (usually upwards of 75%) and Dutch bilateral humanitarian funding is awarded across a limited number of partners and chronic crises – typically around 15, but this has recently been reduced in order to free up funds for responding to acute needs. Decision-making processes in relation to funding allocations for humanitarian aid to South Sudan rely on evidence and analysis from third parties.

The actual number and scope of funding decisions required are minimal in the case of South Sudan, a combination of a strategic policy decision to support the CHF as a key component of UN-led humanitarian reform and a pragmatic response to very limited staffing capacity at the Ministry and therefore a limited ability to critically engage with a more complex and challenging analysis of needs and partners.

The decision to channel Dutch funds through the CHF was taken at the very outset of the creation of the Sudan CHF in 2006 on the basis of a policy commitment to support the Humanitarian Reform process. There is a lack of historical memory around the humanitarian decision-making processes in relation to South Sudan in the Ministry due to staff turnover, but there are no indications that the decision to support the CHF has been called into question or reconsidered. Funding justification documents reviewed for this study indicate that the Dutch government considers the CHF to be delivering against its GHD and internal policy commitments in terms of supporting a needs-based response, providing flexible financing, supporting coordinated humanitarian action and taking gender into account.<sup>41</sup> The only real decision remaining in relation to the CHF therefore is how much money to allocate on an annual basis.

The Dutch Humanitarian Division draws on analysis and advice from Embassy staff as to the humanitarian situation and priorities, though in practice Embassy staff report that they themselves often rely on the analysis of other donors since they have little capacity to regularly actively engage in context analysis. This country-level analysis is considered alongside the global analysis of needs provided in the UN coordinated appeal to assist in determining crisis-level envelopes. The quality of evidence of needs, gaps and context dynamics informing funding allocations therefore is limited.

The decision-making process and rationale for funding the Care Netherlands Sudan Emergency Response and Early Livelihoods Recovery (SERELIR II) project is not clear, nor indeed is it clear why *only* this NGO project received support. The Dutch assessment memo concludes that the project meets Dutch criteria of focusing on the humanitarian imperative and also supports Dutch policy commitments to focus on the most urgent needs, as well as increasing the resilience of IDPs and returnees. In addition, the assessment memo notes that Care, as a multi-mandate organisation, is well placed to link relief and development phases of intervention. SERELIR II is a continuation of an earlier project in Darfur, and an earlier project in Latjor in Upper Nile state in South Sudan focusing on livelihoods. Care notes that it did not undertake a needs assessment for SERELIR II since it was a continuation of an existing set of activities. It may then be that the thought process behind supporting SERELIR II was simply the desire to continue supporting an existing successful programme. The rationale for issuing a combined grant across geographically disparate areas of Sudan is also unclear, with competing interpretations offered that this was on the one hand a

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<sup>41</sup> Based on the internal memo justifying the Dutch funding allocation to the CHF in 2012.

conscious strategy to demonstrate an even-handed approach to supporting the different regions of Sudan consistent with the MASP I objective of making unity attractive, and on the other a pragmatic decision to reduce administration by having just one contract.<sup>42</sup>

The Embassy in principle is charged with providing monitoring support to Dutch humanitarian aid investments. In practice, however, its capacity is limited and expectations of what they should deliver are unclear to Embassy staff. As a consequence, the Embassy has had limited engagement with monitoring the humanitarian portfolio and had not for example sought to monitor the Care SERELIR project. Embassy staff have regularly engaged with the CHF, participating in the Advisory Group and coordinating informally with other donors in the country. Their capacity to engage however was noted to be less than other CHF donors with in-country presence, and it is not clear the extent to which this engagement and analysis feed into the analysis of the Humanitarian Division in The Hague.<sup>43</sup>

The Humanitarian Division, in accordance with its commitment to minimise reporting requirements for UN partners, does not ask for additional monitoring and reporting over and above the CHF annual report. The volume of monitoring information sought and received and the capacity to interpret it are in practice limited, and monitoring information therefore feeds into funding allocation processes only to a limited extent.

In summary, the decision-making process around funding allocations has since 2010 only involved determining the size of the allocation to the CHF. The process for determining this is based on evidence to an extent, but the range of evidence considered, and the limited staffing capacity at the Ministry, indicate that the process is light. The capacity of the Embassy to provide analysis of the needs, context and partner performance is limited and there has been limited demand for these inputs from the Humanitarian Division. The desire to reduce administrative workloads also appears to have played a significant role in decision-making and until 2013, the Dutch government maintained support to a limited number of partners. This is changing, however, and new partnership models were developed in 2013 and 2014, including strategic partnerships with NGOs and the new NGO fund (see section 5.3. for a detailed discussion of these mechanisms). These new forms of partnership are likely to place considerable pressure on the limited capacity in the Embassy and in the Humanitarian Division to undertake sufficiently evidence-based decision-making and to monitor partner performance.

## 5.2. Responsiveness to the context

Dutch responsiveness to the requirements of the context may be assessed on the basis of the timing and volume of contributions in relation to needs and flexibility towards partners in adapting their responses to changing needs and conditions.

Dutch contributions to the CHF have modulated significantly during the study period, but have remained responsive to increasing levels of need by drawing on a variety of alternative sources of

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<sup>42</sup> The argument that the approach constituted an even-handed approach to the two regions is less likely to be the case since the funding agreement runs from July 2011, by which it was clear that the South would secede.

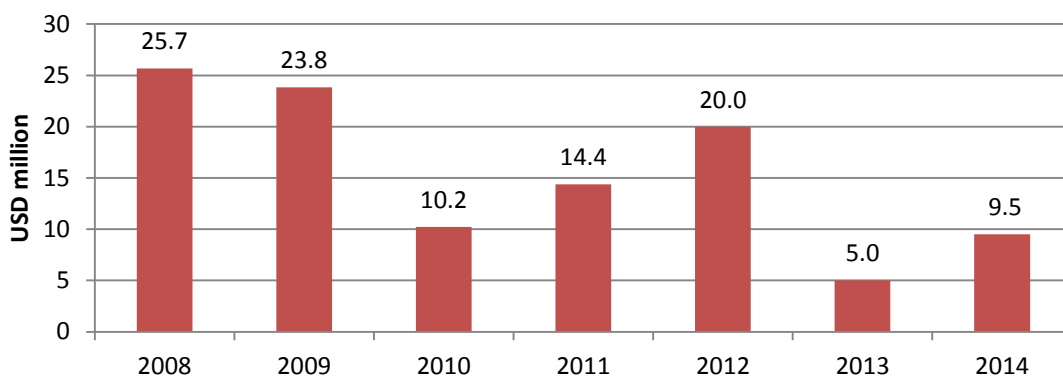
<sup>43</sup> The HC in particular was critical of the Dutch government's engagement as compared with other donors to the CHF.



funding to increase contributions at times of elevated needs. Base-level contributions to the CHF were broadly consistent in 2012 (EUR 6 million) and 2013 (EUR 4 million), with a reduced allocation in 2013 reflecting a reduction in the level of needs compared with 2012, when South Sudan received a large influx of refugees into Upper Nile State. In addition to the initial allocation, contributions were supplemented in 2012 with additional funding reallocated from underspent funds from the Dutch development programme. Supplementary funding was not available in 2013 as funding for the Syria and Philippines crises took precedence. In 2014, supplementary funding for the crisis was mobilised from funds reallocated from the development portfolio as activities were revised and scaled back in response to the crisis. Further funds were drawn from the newly created Relief Fund, established in 2014 to provide a contingency mechanism for funding for acute unanticipated crises.

Although the Dutch government was able to mobilise funds from development financing sources to increase allocations in response to increasing levels of needs, these were ad hoc and could not always be relied on. The creation of the Relief Fund therefore fills an important gap in enabling more predictable access to surge funding.

Figure 17: Dutch contributions to the CHFs for Sudan (2008-2011) and South Sudan (2012-14\*)



Source: UN OCHA FTS.

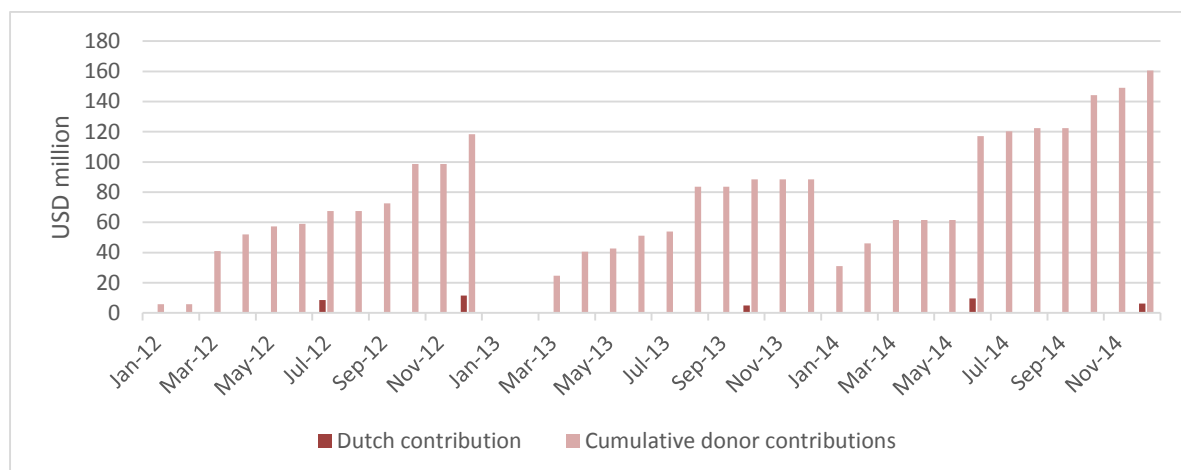
The Netherlands' contribution to the CERF should also be taken into account when considering Dutch responsiveness to the crisis. South Sudan has been a frequent recipient of Rapid Response funding from the CERF and the Dutch government has been a consistent and generous supporter of the CERF.

Over the duration of the study period the timing of Dutch contributions to the CHF has been out of step with the scheduled allocation processes and recommended practice of contributing in December of the preceding year or January of the current year in order to facilitate timely allocations and disbursements (see section 4.2.5. above for detailed discussion on the impact of delayed contributions on disbursements to partners and on operational activities).

In 2010, for example, the Dutch contribution of USD5 million was listed as a pledge at the point of the initiation of the second standard allocation in June. Similarly, in 2011 the Dutch contribution was listed as a 'commitment' (USD9 million) at the commencement of the second standard allocation process on 21 June. In 2012, at the commencement of the first standard allocation of the new CHF for South Sudan, the Dutch commitment is listed as 'to be confirmed' and one of two contributions in that year was received in July, during the second allocation process. A second contribution

(USD11.4 million) was received in December 2012. This contribution was apparently not intended for disbursement in 2013 as only USD4.2 million overall from the total CHF contributions was carried over to 2013. In 2013, the Dutch contribution was again received late, in September (USD5 million) and after the first standard allocation in August.

Figure 18: Donor contributions to the South Sudan CHF 2012-14



Source: UNDP Multi-partner Trust Fund Office. Data downloaded 5<sup>th</sup> January 2015.

This lack of timeliness of Dutch contributions in relation to the allocation and disbursement timelines of the CHF reflect legal and administrative challenges within Dutch government systems. The Dutch administrative interpretation of the CHF's liquidity position included funds which had been allocated but not disbursed to partners (partners typically receive funds in tranches) indicating a positive balance whereas funds are in fact already contracted to specific projects. The Dutch government has indicated that it has now reached an understanding with UNDP that will enable earlier contributions. In 2014, the Dutch contribution was much timelier, being received in May in time for the second standard allocation.

In relation to its bilateral contribution to Care's SERELIR II project, the Dutch government has demonstrated a flexible approach to requests to modify activities in response to changing humanitarian circumstances. For example, in 2012 Care was able to access reserve funding to respond to the deteriorating refugee crisis in Maban County, Upper Nile State. In response to the recent crisis, Care requested modifications in order to shift its activities and areas of operation from its planned recovery focus to support emergency response. The Dutch response to this request was noted as being supportive and flexible. Indeed, several Dutch NGOs consulted indicated that, when they had in the past been recipients of bilateral humanitarian funding from the Dutch government, they had had a high level of respect and appreciation for the Dutch government's flexibility and openness in discussing challenges and adapting approaches.

*Box 10: Crisis modifications permitted to the Care SERELIR II project*

In July 2012, Care requested a modification of the SERELIR II project, which comprised diverting funds from planned activities in South Kordofan, which were no longer possible owing to high levels of insecurity, to instead meet the needs of conflict-displaced people from South Kordofan who had fled to Maban in Upper Nile. Additional funding and a grant extension was also approved for the period September 2012–June 2013, including EUR 308,000 for Upper Nile and EUR 300,000 for South Darfur.

Planned activities in Upper Nile included provision of clean water, sanitation, hygiene and health activities in Yusuf Batil camps one and three, where Hepatitis E had broken out and where there was a severe water shortage and high incidence of waterborne diseases.

A further modification was agreed extending the implementation period from July 2013–February 2014. During the implementation period, the context changed dramatically and Care withdrew from most of its project areas, suspended recovery and livelihoods programmes and shifted operations towards support to water, sanitation and hygiene provision to a targeted 20,000 displaced people living in the UNMISS Protection of Civilians camp in Malakal.

Where the Dutch government maintained a more traditional bilateral partnership, it was able to adapt rapidly, enabling its partner to shift operations to respond to prevailing needs in a changing context.

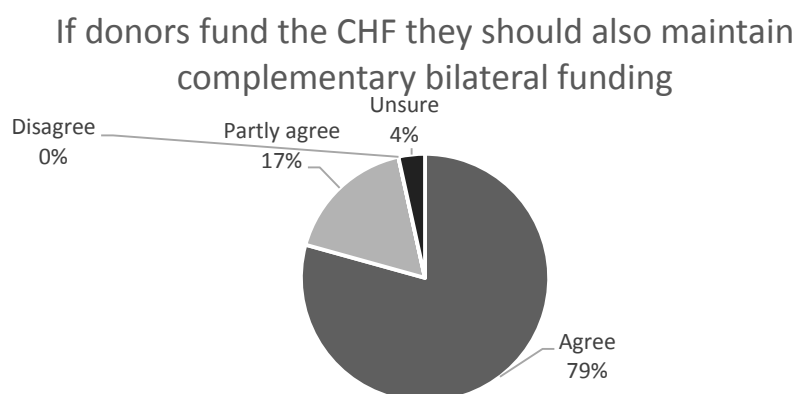
### 5.3. Choice of channels

Choice of funding channel or partner and the mode of funding arrangements influence the Dutch government's ability to meet the full range of its policy commitments. As described above in section 4, the CHF fits well with the Dutch government's policy commitment to support more effective humanitarian action through less duplication and more coordination. The Care project in its turn addresses policy commitments to build self-reliance and resilience. In addition, the Care project had a multi-year timespan (initially 2011-2013), and therefore supports the Dutch GHD commitment to providing flexible and predictable funding. Overall, the Care project therefore supports several policy and principled commitments that are not addressed through support to the CHF. The Care project has however been discontinued and is not expected to be replaced with a similar traditional bilateral partnership, leaving a gap in the Dutch government's repertoire of funding options and consequently impacting its ability to meet its policy commitments.

Evaluations of the CHFs have pointed to the need to maintain funding outside of the CHF in order to support non-participating agencies, and geographical areas outside of the priorities identified by the CHF planning process as well as to support programming which requires greater funding predictability and multi-sectoral approaches. For example, Stoddard (2006) recommends that donors retain a portion of funding for programming outside of the CHF for non-participating agencies, activities outside the geographical or temporal parameters of CHF eligibility and for unforeseen contingencies. Willits-King et al. (2007) further state that 'Donors to the Common/Pooled Funds should continue to provide some bilateral funding to retain flexibility and focus on cross cutting or integrated programming', and that 'Donors should ensure funding for transition activities so that the Funds do not have to stretch to these and can focus on real emergency needs'. Foster (2010) recommends introducing some multi-year programmatic grants for funding the predictable requirements of well-established agencies and NGOs.

From the perspective of implementing organisations, more predictable sources of financing are imperative for their organisational continuity, including maintaining responsive capacity. It is clear that there is a high level of demand from implementing organisations for additional complementary bilateral funding outside the CHF (see figure 19 below).

Figure 19: Survey responses on bilateral funding outside the CHF



Source: HPG online survey August/September 2014.

The Dutch government has had limited bilateral humanitarian partnerships during the study period, though this is now changing. The recently awarded Strategic Partnerships in Chronic Crises to an extent attempt to fill this gap, providing flexible and predictable funding for projects addressing a range of transition or recovery needs with the scope to adapt to increases in humanitarian needs. But the Strategic Partnerships are currently much smaller in scale at EUR1.25 million for each organisation per year and often cover more than one country of intervention (see box 11 below).

*Box 11: Strategic Partnerships for Chronic Crises*

The Dutch government has introduced a new financing arrangement with international NGO partners known as Strategic Partnerships for Chronic Crises, which run from 2014–2016. These were not active in South Sudan during the study period but are important in understanding the Dutch government’s evolving policy approach towards engaging in protracted crises and managing partnerships.

Strategic Partnerships are funded from the reconstruction budget, but 10% of the allocated funds can be used for humanitarian action, an important departure from other partnerships financed from the reconstruction budget, where there is no scope to adapt to emergent humanitarian needs with existing funding. The Strategic Partnerships are also a pragmatic response to the reality that the Dutch government was often funding recovery and reconstruction in chronic crisis situations from the humanitarian budget.

Strategic Partnerships were awarded to organisations working in the Horn of Africa and Great Lakes focusing on activities in or more of the following areas: safety and security, food security and/or the integration of IDPs and refugees. Recipients receive EUR1.25 million annually with a high degree of flexibility and freedom to determine programming priorities.

During the course of the research for this study, the Dutch government was in the process of establishing a new funding mechanism to channel funds to Dutch NGOs for humanitarian crisis response. This mechanism has grown out of a request from Dutch NGOs in South Sudan for access to bilateral funding, which was addressed directly to the Humanitarian Division in The Hague.<sup>44</sup> This

<sup>44</sup> The Embassy in Juba was not aware of discussions between NGOs and the Dutch government in the early stages, highlighting disconnections in communication.

request coincided with an unexpected increase in the humanitarian budget overall in 2014,<sup>45</sup> as well as increased funding allocations for humanitarian response in South Sudan in response to the worsening crisis. In addition, a strong domestic lobby from Dutch NGOs in the Dutch parliament to increase bilateral funds to Dutch NGOs had placed a significant amount of pressure on the Dutch government to increase its funding to NGOs.

Dutch NGOs working in South Sudan proposed a consortium approach with one NGO acting as lead grant recipient, thereby reducing transaction costs for the government. While the new NGO fund meets the demand from NGOs for increased bilateral funding to NGOs, it does not necessarily provide the same level of funding quality as the Care project or Strategic Partnerships in that funding is likely to be relatively short term and agencies still do not have a direct relationship with the Ministry, which would facilitate a flexible partnership relationship. Moreover, this approach may not in fact support Dutch commitments to support a coordinated response to the crisis.

In practice many of the Dutch NGOs involved are not themselves operational and are in effect fund-raising offices for larger INGO networks or federations who determine needs and priorities independent of their Dutch fundraising offices. It is these country-based entities (who are not in reality 'Dutch NGOs' – they typically report functionally to offices in other European countries and the US) who are then required to coordinate under this funding model. The geographical locations of projects supported in South Sudan through this mechanism are disparate, activities are spread across a variety of clusters, so lesson-learning and technical synergies are limited. Organisations and activities have been included on an equal basis rather than an assessment of needs, capacity and quality of proposed response and the package overall therefore does not represent a coherent approach. In fact the only unifying factors seem to be that they are activities proposed by 'Dutch NGOs'. While some efforts have been made to ensure that the HC has approved activities as being consistent with the coordinated response strategy, the rigour of this assessment and the extent to which the clusters or OCHA were consulted or agree with the approach is unclear.<sup>46</sup> There is a risk that the NGO fund approach adds another layer of coordination, unified only by funding source and with uncertain benefits and coordination and administrative costs which are significantly higher than funds channelled via the CHF or through conventional bilateral routes.

As indicated above in section 5.1. the Dutch government's decision-making processes and capacity to actively monitor and manage a wider set of partnerships are limited and may not be in their current form well-equipped to support these new ambitions to increase bilateral contributions to NGOs. In addition to capacity constraints, a lack of clarity around reporting lines and responsibilities between the Humanitarian Division and Embassy staff also represent a challenge to ambitions to develop bilateral instruments and partnerships.

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<sup>45</sup> The ODA budget overall increased by close to EUR1 billion in order to meet the Dutch commitment to spend the equivalent of 0.7% of its GNI on ODA, following a revision of the EU approach to assessing the GNI of member states, which saw the GNI of the Netherlands increase, and therefore the ODA budget increased accordingly.

<sup>46</sup> Certainly the CHF Technical Secretariat was not aware of the mechanism, or that the HC had approved the approach.

#### 5.4. Coherence of approach

The Dutch support to humanitarian response in South Sudan comprises not just its humanitarian investments but also practical engagement at the political and policy level and complementary investments through other budgets. While the CHF and the Care project fulfilled elements of the Dutch policy commitments, there are opportunities to deliver against a wider range of commitments, notably in supporting accountability, self-reliance and resilience, through investing in complementary support to the infrastructure which supports the CHF and in seeking greater alignment with broader Dutch investments and capacities.

Contributing funds alone to the CHF is not sufficient to support the effective functioning of the fund and a coherent approach to being a CHF donor is required. Stoddard et al. (2006) advised in the first evaluation of the initial CHFs, for example, that: 'it is incumbent on donors not simply to create the mechanism and then stand back and observe its functioning. Rather they must take every step along the way to meet the requirements of success (for example early and predictable disbursements), including making changes in their own systems if this is what is needed to meet their responsibility, and participating fully at the country level'.

As noted above in section 5.3., the Dutch government does not currently have a range of bilateral funding support measures which would help implementing agencies to offset the costs not borne by the CHF, particularly when support costs are sub-contracted and further reduced. The effective prioritisation of the CHF is very much dependent on the effectiveness of the clusters, and although the Dutch government provides core funding support to OCHA and some other UN organisations who provide cluster coordination staff, the Dutch do not currently support NGO cluster representation.

The Dutch government's ability to engage with the CHF at the policy level is limited owing to limited staffing at both the Embassy and headquarters levels. This contrasts with statements from the Netherlands in 2008 on their ability to use time gained in transferring transaction costs to the CHF to policy: 'The Netherlands stressed that the pooling of funds did not imply a withdrawal from responsibility for field outcomes. While they do save time by contributing to pooled funds instead of negotiating individual contracts, this time is used to engage at a more conceptual level, by focusing on policy development' (Salomons, 2009). *Aid for People in Need* also notes, under commitments to improved accountability, that the Netherlands has a commitment to seeing improved performance through supporting monitoring, auditing and evaluation of pooled funds in order to drive improvements in implementation. Although the Dutch government participates in the OCHA Donor Support Group, the Netherlands has not been actively involved in the 2011 evaluation of the CHFs or the current ongoing evaluation. Dutch involvement in day-to-day CHF policy issues was noted to be limited to attendance at formal meetings, whereas some other donors are more actively engaged in bilateral discussions with the CHF secretariat. Dutch representatives were frequently described as 'present' in coordination and policy forums at country level, such as the CHF Advisory Group, but not necessarily strongly and consistently engaged on policy issues.

With respect to the Dutch policy commitment to use their influence to advocate for humanitarian access and neutrality the perception of the Dutch capacity to engage on political issues was in contrast considered to be good. Donors in particular noted that the Dutch have a comparative advantage in having a full Embassy in Juba from which they can engage on political questions, and

the Dutch were perceived to be willing to take a strong position on difficult issues. Donors and operating agencies cited the example of the Dutch taking a strong position with the government on the NGO bill as well as the Dutch taking a lead in scaling back development financing to send a diplomatic signal to the government of South Sudan in the context of the current crisis. The ability of the Dutch government to engage at country level to support principled humanitarian action – including access to affected populations, protection of civilians and humanitarian policy – on a consistent basis is limited, however, since Embassy staff are both time constrained, balancing their primary development portfolio responsibilities with additional humanitarian duties, and are often not experienced in humanitarian affairs or regularly apprised of global-level humanitarian policy debates and issues.

Dutch humanitarian policy ambitions extend to supporting resilience and self-reliance including strengthening local capacity and structures and investing in disaster risk reduction. The CHF by mandate and design does not address these policy areas, though the Care SERELIR project did contribute to these objectives. In addition, however, the wider Dutch aid investments in South Sudan may also contribute to these policy goals, particularly agricultural programmes. Under the Reconstruction Tender, which is financed from the Reconstruction Budget, EUR 40 million was designated to activities in the field of human security in South Sudan between 2012 and 2015. Several of these activities include support to food security and sustaining livelihoods. The Embassy also manages funds supporting livelihoods and food security programmes, for example through supporting a WFP run programme to build ‘feeder roads’ which link farmers to markets. The Netherlands’ annual core contribution to WFP also indirectly contributes to the UN agency’s resilience programmes in the country.<sup>47</sup> The functional links between humanitarian concerns and the Dutch government’s development and security capabilities and investments are not optimally configured, however, and there may be missed opportunities to develop synergies and better contribute to Dutch humanitarian policy goals and to achieve overall greater policy coherence across the wider Dutch aid portfolio.

The Dutch humanitarian and development portfolios are very clearly separated in terms of determining funding allocations, and there is little flexibility in the use of funds from humanitarian and development budget sources for activities considered outside of the Dutch determination of ‘humanitarian’ and ‘development’. In practice, of course, partners may consider these distinctions less clear, particularly in a context where needs modulate between chronic and acute. Indeed, while the Netherlands may consider the extent of its humanitarian contributions to South Sudan in 2012 and 2013 to comprise contributions to the CHF and Care, the UN appeal takes a broader view and includes projects financed from the Dutch development budget via the Mines Advisory Group, Sudan Peace and Education Development Programme and the United Nations High Commissioner for Refugees (UNHCR) (see Figure 20 below).

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<sup>47</sup> Food security is a priority for some of the Dutch co-financing organisations working in South Sudan. This comes out of the development budget.

Figure 20: Dutch contributions to NGOs and UN agencies 2012-14

| <b>Recipient organisation</b>                       | <b>Emergency year</b> | <b>USD millions contributed</b> | <b>Description</b>  | <b>IASC Standard Sector</b>          |
|---|-----------------------|---------------------------------|---|--------------------------------------|
| Mines Advisory Group                                | 2012                  | 0.5                             | Integrated Humanitarian Mine Action supporting peace, stability and humanitarian and development access in South Sudan  | Mine action                          |
| Norwegian People's Aid                              | 2012                  | 0.4                             | Land Release and Clearance in Greater Equatoria and Greater Upper Nile Regions, and Capacity Building of SSMAA  | Mine action                          |
| Support for Peace and Education Development Program | 2012                  | 0.03                            | Humanitarian response for returnees in Gameza through vegetable production and field crops  | Agriculture                          |
| UNHCR   | 2012                  | 6.0                             | Support to the return of Persons of Concern to UNHCR (Returnees and IDPs)   | Multi-sector                         |
| CARE International                                  | 2013                  | 1.3                             | Emergency Response and Early Livelihoods Recovery (SERELIR) project (25788 (DSH0117292)   | Economic recovery and infrastructure |
| CARE International                                  | 2013                  | 0.6                             | Small Scale Micro-irrigation support to farmer groups in Jonglei, Upper Nile and Unity States   | Agriculture                          |
| Handicap International                              | 2013                  | 0.3                             | Provision of Victim Assistance at national, community and individual level in Central Equatoria State   | Mine action                          |
| Mines Advisory Group                                | 2013                  | 1.1                             | Integrated Humanitarian Mine Action supporting peace, stability and humanitarian and development access in South Sudan  | Mine action                          |
| OXFAM GB  | 2013                  | 0.3                             | Strengthening the choice and resilience of livelihood options n/a   | Economic recovery and infrastructure |
| CARE International                                  | 2014                  | 1.9                             | Improved access to and availability of food to strengthen food security and livelihoods for IDPs and Host Communities in Unity, Upper Nile and Jonglei States | Food                                 |
| CARE International                                  | 2014                  | 1.9                             | Protection, prevention and response to Gender-Based Violence in Jonglei, Upper Nile and Unity States  | Protection/Human rights/Rule of law  |
| CARE International                                  | 2014                  | 1.8                             | Protection, prevention and response to Gender-Based Violence in Jonglei, Upper Nile and Unity States  | Protection/Human rights/Rule of law  |
| CARE International                                  | 2014                  | 0.6                             | WASH Emergency response to Vulnerable Host, IDP and Returnee communities in Unity and Jonglei States  | Water and sanitation                 |



|                      |      |     |   |             |
|----------------------|------|-----|---|-------------|
| Mines Advisory Group | 2014 | 0.6 | Integrated approach to Humanitarian Mine Action and Physical Security and Stockpile Management impacting longer-term peace, stability and development access in South Sudan | Mine action |
|----------------------|------|-----|---|-------------|

Source: UN OCHA FTS.

The same partners may be receiving funds from development and humanitarian budgets, and indeed Care received funding from both the humanitarian budget for the SERELIR project and the reconstruction budget for an agricultural programme. Despite similarities between these programmes, there did not appear to be a conscious effort to manage these investments as part of a coherent strategy, rather both projects reported in parallel to the respective humanitarian and development divisions and there was little knowledge of the SERELIR project at the embassy level.

The practical and conceptual separation of humanitarian and development decision-making processes in the Dutch government may be a barrier to furthering ambitions to support resilience and durable solutions, and there is no evidence to indicate a conscious effort to align humanitarian and development investments to further the Dutch policy commitment to support resilience and durable solutions.

In addition, the separation of development and humanitarian financing streams and lack of flexibility may hinder partners from adapting to changing contexts effectively. In addition, Care was required to exclude peacebuilding activities from the SERELIR proposal, despite what they considered to be a strong programmatic justification for these activities, because they were not considered to fall within the remit of humanitarian action. This rigidity in structure and financing tools is in contrast to the informal flexibility and supportiveness partners noted from the Dutch government. The new Strategic Partnerships for Chronic Crises represent a positive step towards having more integrated and flexible financing tools, which allow partners to modify and adapt programming to changing situations and which require more regular engagement of Embassy staff in monitoring partnerships. As noted above, however, the Strategic Partnerships are currently small in scale.

### 5.5. Key emerging findings and issues

Throughout the study period, limited staffing capacity both at the central and country level has impacted on the ability of the Dutch government to fully meet its policy commitments, including its internal humanitarian policy and wider commitments including to the GHD Principles. Foremost, limited staffing compels the Dutch government to minimise the number of partnerships it can sustain and limits the extent of engagement at the level of policy. This is a well-known challenge which Ministry and indeed Embassy staff try to manage as best they can. In this context, concentrating support to the CHF is the most practical option for the Dutch government. There are improvements which could be made to this approach, but in most cases additional staffing investments would be needed to deliver these changes in order to avoid adding further pressure to an already heavily burdened system.

The Dutch government is now increasing its bilateral funding to NGO partners through the new South Sudan Joint Appeal. However, this has been driven to a significant extent by external pressure and it is not clear that the Dutch government necessarily accepts arguments that increasing bilateral funding is necessary or desirable in order to complement some of the limitations of the CHF

(including a lack of predictability from the perspective of recipient agencies, insufficient provision for support costs, lack of flexibility and the ability to address activities and approaches outside of the mandate of the fund). In addition, the design of the mechanism for funding the joint NGO appeal appears to be based on expediency in minimising transaction costs. There are insufficient assurances that the approach is consistent with Dutch commitments to supporting a coordinated response, and the mechanism itself does not provide the type of flexible and predictable partnership-based funding NGOs feel they need. From the perspective of NGOs involved they are extremely anxious not to lose this opportunity for funding, but they are also well aware of its potential problems. Further internal reflection on the purpose and optimal approach to increased bilateral support to NGOs may be opportune, in particular consideration of the expanded use of the strategic partnership model, which would provide predictability and flexibility from the perspective of funding recipients and could also potentially help to facilitate flexibility and links across humanitarian and development investments.

The relationship between humanitarian and development funding streams and institutions could be considerably improved. There is a lack of clarity in terms of expectations and responsibilities for Embassy staff to feed into decision-making and to monitor partners funded through the humanitarian budget. In addition, there is a lack of coordination across humanitarian and development prioritisation and decision-making which may be limiting opportunities to advance policy commitments. This may stem from anxieties about being seen to potentially contaminate principled humanitarian action with priorities from the Dutch coherent approach. While this is an important consideration, it need not preclude information-sharing and debate, particularly on activities which fall within the realms of transition or resilience and which necessarily therefore traverse the conceptual humanitarian–development divide. Other donors have managed this challenge by undertaking joint annual planning and prioritisation processes, which begin from the premise of agreeing a shared understanding of risk and prioritising layers of response across a variety of funding streams.<sup>48</sup> The Dutch government might usefully consider such an approach in the development of the new MASP, for example.

Historically, responsiveness to the context has been inhibited by difficulties disbursing funds in accordance with the CHF allocation timetable. Progress has reportedly been made on this issue, but vigilance should be maintained to ensure that administrative hurdles do not in future interfere with the timeliness of critical Dutch humanitarian investments.

## 6. Conclusion

The following section summarises key findings outlined above in relation to the core evaluation questions posed at the outset of the research and detailed in the terms of reference.

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<sup>48</sup> DFID carries out joint ‘Business Case’ planning exercises, which include humanitarian and development actors in joint problem analysis and strategy development. The European Commission has developed a seven-year Action Plan for Resilience in Crisis-Prone Countries, which articulates the rationale, priorities, actions and timeframes for implementation as well as expected outputs, and which has mobilised departments across the Commission to debate and coordinate their responses to meet these objectives.

[http://ec.europa.eu/echo/files/policies/resilience/com\\_2013\\_227\\_ap\\_crisis\\_prone\\_countries\\_en.pdf](http://ec.europa.eu/echo/files/policies/resilience/com_2013_227_ap_crisis_prone_countries_en.pdf).

***Did the CHF meet expectations and objectives as regards funding and coordination?*** Dutch funds channelled via the CHF have contributed to a more coordinated and efficient response to a significant extent. Overall, the CHF in South Sudan has delivered expected results in terms of improved coordination when considered in the context of a range of other instruments and reforms supporting coordinated humanitarian action – including a strengthened cluster system, improvements to the UN coordinated appeals process, improved needs assessments and baseline information. The CHF delivers a more efficient response through its role in supporting coordinated response plans to both predictable and unforeseen needs.

The partnerships playing-field within the CHF has been levelled considerably during the study period through efforts by the CHF secretariat to discourage pass-through funding and prioritise disbursements for NGOs and through donor support to jointly led clusters. The ability to participate in clusters on equal terms in the CHF prioritisation process in particular has contributed to greater equality of decision-making between UN agencies and NGOs. And the CHF in South Sudan has provided funding opportunities and incentivised participation in coordinated processes for national NGOs.

CHFs are not intrinsically timely funding mechanisms, though the CHF in South Sudan has taken steps to reduce the length of allocation and disbursement processes. The South Sudan CHF provides predictable funding at the level of the crisis, but not from the perspective of individual funding recipients. The CHF is flexible in its ability to respond to the changing context and changing needs, and in reviewing and re-prioritising allocations to reflect the dramatically changed situation in late 2013. But once contracted, administrative restrictions mean that the CHF is quite inflexible.

The most pressing outstanding challenges with respect to the efficiency of the fund is a persistent accountability gap. Although OCHA has made considerable strides to improve the reporting and monitoring of results, it is still not possible to draw meaningful conclusions about the efficiency (or indeed the effectiveness) of the activities funded through the CHF, only to draw conclusions about the efficiency of the mechanism itself and to make statements of collective results. Results which are collected are of limited practical use in trying to interpret the outputs and outcomes of activities funded, including their efficiency, since they are largely decontextualised and provided without interpretation. Furthermore, since they are based on partner self-reporting, they are largely unverified.

***Did the CHF meet expectations and objectives as regards to context relevance?*** Based on observation of available evidence including funding policy priorities and broad allocation patterns in relation to the major crisis events and patterns of needs, and shifting levels of development financing capabilities, the CHF has proved responsive to the major characteristics of the crisis and therefore supports the Dutch policy commitment of supporting a ‘demand-driven’ financing response. The CHF in South Sudan has served a critical gap-filling function throughout the study period, preventing ruptures in core humanitarian pipelines, bridging funding gaps in basic service provision and providing vital financing support to under-funded clusters.

***What assessment can be made of the effectiveness of the CHF in responding to sudden/unforeseen needs?*** The CHF has responded effectively to rapid increases in humanitarian needs in the last three years, in particular through judicious use of reserve and standard allocations, complementing other sources of surge funding, particularly the CERF.

The CHF proved extremely responsive to the changed humanitarian situation in 2014 and has played a pivotal role in enabling key elements of a timely and needs-driven response, in particular through support to the rapid response mechanism. In 2014, the CHF was the first major donor to allocate funds to the crisis and allocations were noted as being effectively targeted – supporting pipelines and larger agencies with the capacity to respond at scale – in order to facilitate rapid scale-up. In this major test, the CHF successfully shifted gear from a ‘gap-filling’ and ‘top-up-funding’ modus operandi to a much more strategic, rapid and flexible approach. The CHF also played an important role in 2014 in creating incentives to mobilise coordinated responses in some of the most difficult areas through supporting rapid response mechanisms.

By virtue of its design, however, the CHF cannot meet all requirements or achieve the speed required to act as a leading mechanism for unforeseen financing needs, and should therefore be viewed as one component of the architecture necessary to support effective surge financing.

***What assessment can be made of the effectiveness of assistance in the major fields that the CHF funded?*** Throughout most of the study period the vast majority of reported results have not been verified and therefore at the most fundamental level, one cannot really know with any confidence what has been achieved with CHF funds. Although there is now comparable output reporting at the level of cluster objectives, these are typically presented without adequate contextual analysis and are difficult to meaningfully interpret. At the aggregate level, there is no evidence or analysis of the timeliness, quality, appropriateness or cost-efficiency of responses. It is extremely difficult therefore for donors to make sense of the results they have contributed to, including the effectiveness of activities supported.

***What assessment can be made of the Netherlands’ decision-making processes?*** The capacity of the Dutch government to meet its various policy commitments was repeatedly noted as falling short. Staffing levels in the Humanitarian Division are not adequate to permit rigorous evidence-based decision-making, regular systematic monitoring of partners or consistent engagement in humanitarian policy discussions and advocacy to support principled humanitarian action at the country level. Expectations of what Embassy staff are required to deliver to support the humanitarian portfolio and the degree to which they are expected to input into decision-making processes are unclear. In addition, capacity at the Embassy to provide consistent engagement in humanitarian policy discussions and managing relationships with partners is limited.

***What assessment can be made of the Netherlands’ processes and capabilities?*** Historically, responsiveness to the context has been inhibited by difficulties disbursing funds in accordance with the CHF allocation timetable. Progress has reportedly been made on this issue, but vigilance should be maintained to ensure that administrative hurdles do not in future interfere with the timeliness of critical Dutch humanitarian investments.

A restricted use of funding channels influences the Dutch government’s ability to meet the full range of its policy commitments. Evaluations of CHFs have pointed to the need to maintain funding outside of the CHF to support non-participating agencies and geographical areas, as well as programming which requires greater predictability and multi-sectoral approaches. These gaps are not currently sufficiently addressed with the new Strategic Partnerships, which are relatively small in scale, or by the new NGO joint appeal, which is short-term in nature.

The relationship between humanitarian and development funding streams and institutions could be considerably improved. There is a lack of coordination across humanitarian and development prioritisation and decision-making which limits opportunities to advance shared policy objectives, notably around resilience and support to transition and durable solutions. This may stem from anxieties around being seen to potentially contaminate principled humanitarian action with priorities from the Dutch coherent approach. While this is an important consideration, it need not preclude information-sharing and debate, particularly on activities which fall within the realms of transition or resilience and which necessarily therefore traverse the conceptual humanitarian–development divide.

## Annex 1. Terms of reference

### **First approach paper for country study South Sudan as part of the evaluation of Dutch Humanitarian Assistance 2009-2013**

#### **Introduction**

The evaluations of the policy and Operations Evaluation Department (IOB) of the ministry of Foreign Affairs are an instrument for policy development and internal learning as well as for rendering accountability to parliament. In 2006 IOB published an evaluation of Dutch Humanitarian Assistance (HA) which covered the period 2000-2004. The *Rijksregeling Periodiek Evaluatieonderzoek* (RPE: 2012) requires each policy area to be evaluated periodically (between four and seven years) at the level of budget articles. Consequently, the evaluation of HA has been included in IOB's current evaluation programme.

The evaluation offers an opportunity to render account for the policy by providing insight into the Netherlands' HA policy development, its implementation and whether the envisaged results were achieved. It also aims to provide lessons learned from experiences of the implementation of HA, particularly with regard to adaption of the Netherlands' policy to the rapidly changing contexts in which HA is provided.

A significant part of the evaluation exists of various country studies (Syria crisis, food crisis in Ethiopia and South(ern) Sudan) that will be carried out to be able to answer the central evaluation questions. These country studies are designed specifically to help answer the main evaluation questions of the policy review and to fill gaps in information that cannot be found in overview reports of the humanitarian system at a global level.

This ToR will form the basis of the country study that is to be conducted of the Central Humanitarian Fund (CHF) in South(ern) Sudan.

Further information on the scope of the evaluation can be found in the general ToR which has been attached as a separate document.

Sudan country study of the Common Humanitarian Fund

#### **Context**

Conflict has raged intermittently in Sudan for the last fifty years between the government in Khartoum and various fractions in Southern Sudan, costing an estimated two million lives and leaving over 4 million people displaced. In 2005 a Comprehensive Peace Agreement (CPA) was signed. Recent developments in South Sudan, that gained its independence in 2011, demonstrate that the region is still highly unstable. South Sudan remains one of the poorest countries in the world with very little access to basic services for the general population. Estimations are that the conflict has left at least 300.000 dead and 2 million displaced

#### **The Common Humanitarian Fund**

The CHF is a pooled fund that is committed to the timely allocation and disbursement of funds to Sudan's most critical humanitarian needs. The CHF provides grants to UN humanitarian agencies

and, through UNDP, to international and national NGOs. Until independence South Sudan received funds from the CHF for Sudan. In 2012 a separate CHF for South Sudan was created.

The South Sudan CHF is used for projects included in the Common Appeals Process (CAP)<sup>49</sup> with the exception of Reserve allocations which respond to emergencies and unforeseen humanitarian needs (and as such, are subject to a separate allocation process).

The South Sudan CHF is intended to improve humanitarian outcomes by:

- providing committed funds for humanitarian actions earlier than under other modalities;
- strengthening the planning and coordination process;
- tying the funding allocation to the CAP;
- broadening participation in the CAP;
- channelling funds towards the most urgent needs; and,
- by ensuring that funds are available for rapid responses to unforeseen needs.<sup>50</sup>

The total contribution to CHF Sudan and later CHF South Sudan ranged between US\$ 117 and US\$ 164 in 2009 – 2012. In 2012 that meant that CHF South Sudan contributed 23% (second contributor after USA) to the CAP South Sudan.<sup>51</sup> Priority sectors receiving the bulk of CHF funding in 2012 were: multisector; logistics; WASH; health; and, nutrition.

### **The Netherlands' policy in South Sudan**

South Sudan is one of the Netherlands' priority partner countries for development cooperation in the category of fragile states. Since 2003 the policy for Sudan has been part of a wider policy for the region, including stimulating closer cooperation between neighbouring countries in terms of political cooperation and economic development. Important priorities have been to facilitate the realisation of the Comprehensive Peace Agreement (CPA) through an integrated effort using diplomatic, political, military, economic and development instruments. The Netherlands was active in international efforts in South Sudan, amongst which the UN peacekeeping mission UNMIS, the Joint Donor Team (JDT), the Multi-Donor Trust Fund for Southern Sudan (MDTF-SS) and the Assessment and Evaluation Commission. The Netherlands played an active diplomatic role in trying to stimulate power and wealth sharing, as well as security, within the framework of the CPA.

The main aim of the Netherlands' policy is to contribute to lasting peace and stability in the country and region, through mitigation of conflicts and growth and development. The three spearheads are:

- **security and rule of law:** building peace and the rule of law, through better accountability in the security sector, improved access to justice and enhanced women's participation;
- **water:** improved water management, for better livelihoods, a more efficient river system and increased access to drinking water;

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<sup>49</sup> Or in the case of CHF Sudan the Work Plan.

<sup>50</sup> Terms of Reference for CHF South Sudan.

<sup>51</sup> The Netherlands contributes indirectly to the ECHO and CERF contributions to the CAP South Sudan, which together provided 30% of contributions to the CAP.

- **food security:** increasing food security, through development of agriculture and private sector development.

Special attention is paid to employment, economic and private sector development, as well as to governance, security and stability, human rights, gender equity and accountability. Also, transitioning from vulnerability and dependence on humanitarian assistance to sustainable development is an important principle of the Netherlands' policy.

Above issues are to be addressed in programming, as well as through political dialogue with the South Sudanese government.<sup>52</sup>

### **Dutch humanitarian assistance South Sudan**

The total earmarked humanitarian assistance to Sudan (incl. Southern Sudan) by the Ministry of Foreign Affairs of the Netherlands came to EUR 58 million for the period 2009 to 2012. The Netherlands primarily contributed towards humanitarian assistance through the Common Humanitarian Fund (CHF) for Sudan and South Sudan. Between 2009 and 2012 the total contribution towards the CHFs was EUR 49 million,<sup>53</sup> thus covering 85% of the total humanitarian assistance to Sudan. Annual donations ranged between EUR 7 and 16 million. The Netherlands was the second largest donor from 2006-2009 and for CHF South Sudan in 2012.

#### *Netherlands' contribution to CHF Sudan and CHF South Sudan<sup>54</sup>*

| Year                                   | Total contributions (mil) | NL contribution (mil) | Ranking                                      |
|--|---------------------------|-----------------------|--|
| <b>2006</b>                            | US\$ 172                  | US\$ 51               | 2nd donor                                    |
| <b>2007</b>                            | US\$ 167                  | US\$ 37               | 2nd donor                                    |
| <b>2008</b>                            | US\$ 150                  | US\$ 26               | 2nd donor                                    |
| <b>2009</b>                            | US\$ 117                  | US\$ 24               | 2nd donor                                    |
| <b>2010</b>                            | US\$ 129                  | US\$ 10               | 5th donor                                    |
| <b>2011</b>                            | US\$ 164                  | US\$ 14               | 4th donor                                    |
| <b>2012 Sudan</b>                      | US\$ 80                   | US\$ 5                | 7th donor                                    |
| <b>2012 South Sudan</b>                | US\$ 118                  | US\$ 20               | 2nd donor                                    |
| <b>2013 Sudan</b>                      |                           |                       |  |
| <b>2013 South Sudan</b>                |                           |                       |  |
| <b>Overall contributions 2006-2012</b> | US\$978                   | US\$ 167,5            | 2nd donor (after UK, 3rd Sweden, 4th Norway) |

<sup>52</sup> Embassy of the Kingdom of the Netherlands in South Sudan, Multi Annual Strategic Plan South Sudan 2012-2015.

<sup>53</sup> USD73 million, according to OCHA reports.

<sup>54</sup> On the basis of CHF annual reports.



Next to supporting CHF, the Netherlands also supported various other programmes and projects (15% of earmarked allocations). Important executors of this assistance were Care Netherlands and UNDP. This evaluation focuses on programmes and projects financed under the humanitarian assistance budget. However, in practice it is difficult to distinguish between projects and programmes that are financed from other budgets (such as the Reconstruction Fund or Stability Fund) and those funded through humanitarian assistance budget, especially in the areas of transition and early recovery,

The Netherlands furthermore contributes to humanitarian assistance through its regular unearmarked contributions to ECHO and CERF.

Humanitarian assistance in the Ministry of Foreign Affairs is centralised meaning that the primary coordinator and responsible for humanitarian assistance to South Sudan is the Humanitarian Assistance Division at the ministry in The Hague. However, embassy staff attend local coordination meetings and report back to The Hague.

### **Evaluation questions**

This country will contribute to the central evaluation questions of the policy review on the Dutch Humanitarian Assistance 2009-2012 (added as attachment), especially as regards the questions on effectiveness and efficiency. It is therefore important that the overall questions and goals of the policy review are kept in mind during the design, implementation and finalisation of the country study.

The specific evaluation questions for the country study of South(ern) Sudan are:

#### **1. Decision-making/input**

1.1. What assessment can be made of the Netherlands' decision-making process to fund CHF Sudan, and later South Sudan?

1.2. What assessment can be made of the Netherlands' decision-making process to fund certain projects and programmes outside of CHF (15% of funding) and what added value was expected by channelling funding directly to organisations?

#### **2. Efficiency:**

2.1 Did CHF meet the expectations and objectives as regards funding and coordination:

- strengthening the planning and coordination process;
- tying the funding allocation to the CAP;
- broadening participation in the CAP;
- ensuring that funds are available for rapid responses to unforeseen needs;
- ensuring predictable funding;
- allowing for flexible planning of interventions;

- transparent and robust monitoring of project implementation.

### **3. Effectiveness**

3.1 Did CHF meet the expectations and objectives as regards context relevance:

- To what extent did the HA strategy of CHF respond to the main characteristics and challenges of the context and crisis?

3.2 What assessment can be made of the effectiveness of the CHF to sudden/unforeseen humanitarian needs (for example to recent crises following the renewed violence), i.e. programmes funded through the Reserve Allocations, regarding:

- timeliness (was assistance delivered 'on time'?/ providing committed funds for humanitarian actions earlier than under other modalities);

- coverage (funds channeled towards the most urgent needs, access to vulnerable groups);

- responding the immediate needs (were the right needs addressed at the right time?)

3.3 What assessment can be made of the effectiveness of assistance in the major fields that CHF funded between 2009-2013 (thematic and geographical areas to be determined; choice to be made of some of the major cluster of CHF, for example: Basic Infrastructure; Coordination and Common Services and Food Security and Livelihoods)

3.4 What assessment can be made CHF's contribution to durable solutions in South(ern) Sudan:

- Promotion of resilience and strengthening local capacity, regarding both conflict and natural disaster;

- Linking humanitarian assistance programmes to longer-term development programmes, transition;

- Preparation of adequate exit strategies;

- Linking HA with the Netherlands development programme in South(ern) Sudan in particular.

3.5 To what extent do the programmes and projects that have been directly financed by the Netherlands (outside of CHF/ some 15% of NL funding) meet the expectations as regards their additional value?

### ***Approach***

The work for the country study can roughly be divided into three sections:

a) desk study: analysis of policy documents, financial flows, evaluation of CHF, other programme and project evaluations, evaluations of other donors, academic literature on the context and topic, livelihood reports etc.

b) field work: after the desk study has been completed the consultant will hold interviews with key informants and staff members of organisations managing and operating humanitarian assistance in

South Sudan, with the main intention of filling the gaps in the information provided by the literature and extending the understanding of the findings.

c) finalising analysis and writing report.

IOB will provide input for the assessment of the Netherlands’ decision-making process, as well as more generally by providing access to policy documents and sources.

### **Evaluation criteria**

Since the results of the country studies will be integrated in the general analysis, it is important that the country studies are guided by a common framework. The figure below presents the minimum indicators for the efficiency and effectiveness questions.

Indicators, sub questions and sources for the sub study on the efficiency and effectiveness of the HA provided by the UN system

| Indicator   |  |
|---|--|
| <b>Efficiency</b>                                 |  |
| <b>Coordination and leadership</b>                | The indicators included in the logical framework of CERF   |
|   | Progress criteria for the cluster approach   |
|   | The indicators for progress as established in the ISAC transformative agenda   |
|   | Role of Emergency Relief Coordinator and of Humanitarian Coordinator   |
|   | Quality of needs assessments: more demand driven HA  |
| <b>Increased capacity to deliver</b>              | Targeting and filling critical gaps  |
|   | Quality of funding policy and support for NGOs (quality criteria for decision-making on allocation and monitoring)                               |
|   | Funding secured and efficient allocation mechanisms in place   |
|   | Efficiency gains: less fragmentation   |
| <b>Effectiveness</b>                              |  |
| <b>HA delivery</b>                                | Achievement of objectives as defined in programme documents for:   |
|   | Timeliness   |
|   | Coverage   |
|   | Targeting vulnerable groups  |
| <b>Thematic</b>                                   |  |
| <b>Shelter</b>                                    | UNHCR quantitative and qualitative standard criteria for assessment of HA for shelter  |
| <b>Food</b>                                       | -WFP quantitative and qualitative standard criteria for food aid: has food assistance met life saving-needs?                                     |
| <b>Income</b>                                     | -UNHCR, UNICEF and WFP standardised assessment criteria for voucher and non-cash programmes  |
| <b>Protection</b>                                 | -UNHCR and UNICEF assessment criteria for protection of specific groups: children, women.  |
| <b>Contributions to longer term self-reliance</b> | Long term perspectives refugees protracted crises: increased capacity to recover from /adapt to crises: increasing own efforts in relation to HA |
| <b>LRRD/withdrawal scenarios</b>                  | LRRD/withdrawal scenarios in place?  |
|   | Promoting self-help and capacity building as an important component of HA  |
|   | Inclusion of longer term development perspective in HA   |
|   | Mobilisation of local resources  |
|   | Withdrawal scenarios were included in HA strategies?   |

### **Products**

The final product to be delivered by the consultant is a paper containing the country study on South Sudan. Also, a summary will be written in the form of a chapter for the final overview report along a framework that will be designed in cooperation with IOB.

## Annex 2. Literature review

| Literature type             | Reference  | Description of methodology, approach and sources of evidence  | Findings  |
|-----------------------------|--|---|---|
| <b>Pooled funds</b>         |  |   |   |
| Policy study / pooled funds | Salomons, D., with Van Lith, M. and Vartan, T. (2009) Study of Transaction Costs Associated with Humanitarian Pooled Funds. The Praxis Group, Ltd. | <p>Lit review; extensive interviews including at field level in Sudan and DRC. Independent advisory group.</p> <p>Commissioned by UNICEF, WFP, UNHCR, FAO and WHO to develop 2007 CHF evaluation recc: 'analysis be commissioned of the "value chain" of humanitarian funding, looking at transaction costs and value added'.</p> <p>Covers period 2003-2007.</p> | <p><b>General points:</b> Transaction costs: 'the cumulative costs of adapting to, and integrating, the specific characteristics of the humanitarian pooled funds, both in terms of time, energy and money spent, and in terms of opportunities missed'.</p> <p>Evolution of two-tiered system for mobilising and managing fund; parallel reporting systems: one based on donor requirements, the other shaped by the demands of the UN rules affecting trust funds; considerable increase in workloads (but as part of wider reforms including introduction of cluster approach, and corresponding improvement in coordination, quality and coherence).</p> <p><b>Relevance:</b> Donors reported a reduction in project management work enabled them to increase focus on policy reviews, normative development and aid coordination.</p> <p><b>Efficiency:</b></p> <p>Shift in emphasis from project impacts to response-wide impacts and outcomes. Need for new approach to M&amp;E from clusters and OCHA.</p> <p>CHF reinforces project bias of the CAP building <b>bureaucratically imposed inefficiencies into geographical or otherwise coordinated or comprehensive approaches to response.</b></p> <p>Weakened predictability of funding at recipient agency level.</p> <p>'In order to be participatory and democratic, the <b>allocation process has ensnared the players in a stranglehold of meetings'</b></p> <p><b>Trade-off between desire to be inclusive and democratic and ability to be strategic.</b> 'Pooled funds have tested the limits of democratic, transparent management, and the HC/Advisory Group may have to play a central role in ensuring a balance.'</p> |

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|            |   |  | <p>Donor countries should not expect that the qualitative and quantitative strengthening of the agencies' field presence can be funded solely from the relatively low percentage of indirect costs reimbursed through the pooled funds. They should therefore step up their contributions to the agencies' core budgets or accept additional direct costs in proportion to their increased support for humanitarian field activities.</p> <p>UNICEF notes that despite the large time and effort investment required, this has <b>built trust and accountability with partners</b>.</p> <p><b>Downside costs</b> for agencies: increased quantity of sub-contracts to partners with huge time implications in work donors used to do, namely vetting proposals and managing contracts. 'In addition to acquiring a solid knowledge of the pooled funds' processes and procedures, technical staff are now expected to manage meetings, raise funds, negotiate, prepare budgets and financial statements, and carry out evaluations.'</p> <p><b>Competition:</b> Donors in Sudan also noted that 'although the intention of the CHF was to speed up the funding process and subsequent service delivery, it has unwittingly increased tensions between UN agencies and NGOs competing for funds. The CHF has created a fiercely competitive marketplace'.</p> <p>Projectisation: <b>programmes artificially chopped up</b> to fit CHAP and CHF cluster preferences.</p> <p><b>Timeline for allocation processes out of step with dynamic changing humanitarian contexts.</b> By the time funds arrive, situations have changed, modifications and extensions are required to adapt to actual levels of funding received.</p> <p>Predictability: At the aggregate/crisis level predictability increased as commitments typically made early so amount of funds to the crisis fairly clear. But <b>at individual agency level, predictability much diminished</b>.</p> <p>Accountability: M&amp;E weakest element of pooled funds. Partly because of wider systemic problems: no baseline needs assessment against which to develop crisis-level indicators against which HC and OCHA could monitor collective response.</p> <p><b>Effectiveness:</b></p> <p>All five agencies noted that PF 'work' detracted from their ability to work on programming.</p> |
| Evaluation | Stoddard, A., Salomons, D., Haver, K., Harmer, A. (2006) Common | Lit review; extensive (213) interviews including at field level in Sudan and DRC | <p><b>Relevance:</b></p> <p>Recommends donors retain a portion of funding for programming outside of CHF for non-participating agencies, activities outside the geographical or temporal parameters of CHF eligibility and unforeseen contingencies.</p>  |

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|  | <p>Funds for Humanitarian Action in Sudan and the Democratic Republic of Congo: Monitoring and Evaluation Study, Center on International Cooperation, New York University in collaboration with The Humanitarian Policy Group, Overseas Development Institute</p> |  | <p>‘As a general rule donors should be able to give programmatic justifications for decisions to channel over three quarters of country contributions through the fund (beyond mere ease of programming or desire to support the Common Fund mechanism itself.’</p> <p>‘Such proactive efforts taken by donors for the purpose of making systemic improvements are both rare and welcome, but they also carry with them a large degree of responsibility for and ownership of the initiative and whether it succeeds or fails. For this reason it is incumbent on donors not simply to create the mechanism and then stand back and observe its functioning. Rather they must take every step along the way to meet the requirements of success (for example early and predictable disbursements), including making changes in their own systems if this is what is needed to meet their responsibility, and participating fully at the country level.’</p> <p>Recommendation to form an in-country donor forum for both CHF and non-participating donors to identify gaps and solutions. Could ultimately evolve to be a national level ‘finance cluster’ interacting with inter-cluster process.</p> <p><b>Efficiency:</b></p> <p>Transaction costs not reduced, rather shifted from donors to field-level actors. But this is seen as an acceptable trade-off for effectiveness gains realised in bringing decision-making closer to the field. Has not detracted ‘overmuch’ from substantive programming work.</p> <p>Funding within the CAP: percentage of coordinated contributions in Sudan jumped from 56% to 71% in 2005 – the pre-pilot year in which USD 100m was channelled by donors to HC-determined priorities (through the so-called Allocation Model). It increased still further to 79% the next year when the Common Fund was established.</p> <p>Timeliness dependent on timely disbursements from donors and rapid transfers to agencies after allocation.</p> <p>One of the strongest qualitative findings emerging from the study is that the cluster system of coordination has been strengthened and driven by CHFs.</p> <p>Purpose was to strengthen decision-making authority of HC but quickly became apparent in DRC and Sudan that the HC would need to depend on others with better visibility and understanding of the needs and context. This led to the creation of decentralised decision-making structures which took care of needs analysis and prioritisation. These became participatory processes, which also helped reinforce coordination.</p> <p>In first year of operations, NGOs not receiving funds in proportion with their role, meanwhile UN agencies ‘reaping a windfall’.</p> <p>Capacity to pre-fund a barrier to NGO participation. But ability to engage and strengthen national NGOs a potential significant unintended benefit.</p> |
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|            |   |   | <p><b>Effectiveness:</b></p> <p>Primary purpose is to ‘improve humanitarian response’ but whether this should be through filling gaps, funding top priority interventions or providing rapid flexible funding is interpreted differently across different funds.</p> <p>Only effective if achieve <b>critical mass</b> in channelling large volumes of funds to coordinated response.</p>   |
| Evaluation | Willitts-King, B., Mowjee, T. and Barham, J. (2007) Evaluation of Common/Pooled Humanitarian Funds in DRC and Sudan | Literature review, extensive semi-structured interviews and analysis of funding data. Covers period from end of 2006 to 2007. | <p><b>General points:</b></p> <p>In addition to improved coordination, CHFs have contributed to ‘remaking of the culture’</p> <hr/> <p><b>Relevance:</b></p> <p>The Common/Pooled Funds are designed for early, predictable funding against the Annual Plan/Workplan.</p> <p>Donor commitments should be sought in Nov when appeal is launched.</p> <p>‘Donors to the Common/Pooled Funds should continue to provide some bilateral funding to retain flexibility and focus on cross cutting or integrated programming.’</p> <p>‘Donors should ensure funding for transition activities so that the Funds do not have to stretch to these and can focus on real emergency needs. Continued discussion is needed on how to define what constitutes humanitarian need.’</p> <p>Funds used to support a broad range of activities around a wide-ranging interpretation of humanitarian needs that included ‘recovery’ and basic service provision. ‘The risk is that the Funds come under pressure to fill all sorts of gaps where other funds are not performing, and the relative ease of access makes them a good option.’ Need for <b>clearer guidance on what constitutes humanitarian need.</b></p> <hr/> <p><b>Efficiency:</b></p> <p>M&amp;E weak – partly because of UNDP’s role. Recc: ‘A fully staffed M&amp;E unit should report directly to HC/RC’s office and provide a full range of M&amp;E from project to more strategic functions.’</p> <p>All the sector/cluster leads interviewed argued that linking funding and coordination gives organisations an incentive to participate in sectors/clusters and attendance at meetings to discuss allocations is always much higher than normal. In theory, identifying priority needs and gaps should be part of the normal working of clusters so the Common/Pooled Funds can be seen to be supporting the operation of sectors/clusters, even if they increase the workload of the leads.</p> |



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|  |  |  | <p>Reccs to clusters:</p> <ul style="list-style-type: none"> <li>• Greater NGO involvement as co-leads, recognising that they face resource constraints</li> <li>• Better training for cluster leads on their role and how to manage processes</li> <li>• Agency investment in people with good technical capacity and coordination skills</li> <li>• Agencies need to take more responsibility for making cluster working a corporate objective and reflect this in the personal objectives and appraisals of staff</li> <li>• Consider a formal/informal ombudsman/complaints mechanism</li> </ul> <p>Role of board inconsistent and does not provide robust framework for balancing personality of HC</p> <p>Allocation process dependent on strength of clusters, which vary hugely in capacity. Recc: training for cluster leads, ensuring cluster coordination is an agency corporate priority.</p> <p>Recommends UNDP remain administrative agent but OCHA become managing agent.</p> <p>If funds become smaller, lighten processes and allow HC to make decisions with less consultation.</p> <p>Strengthen the technical review element in Sudan as part of the Workplan process</p> <p>NGO dissatisfaction reduced – partly because they realised CHF is ‘easy money’</p> <p>National NGOs need support and capacity-building to enable them to participate in the funds. UNDP partner assessments exclude national NGOs</p> <p>Common complaint raised against sector leads that much of their CHF funds used to support country/operational rather than project costs.</p> <p>More needs to be done to improve donor coordination.</p> <p>Funds ‘faster’ than some bilateral donors but not in fact ‘rapid’: allocation process takes 3-4 months. But purpose was to support foreseen needs with standard allocations. Timeline between issuance of policy paper and disbursement in 2007: 120 days</p> <p><b>Accountability:</b> UNDP leaves programmatic issues to OCHA and so does not undertake any M&amp;E activities. OCHA’s focus is on monitoring the Workplan so it covers both NGO and UN projects but at a strategic level. Recc: Use more consistent M&amp;E to assess achievements and impact, thereby reducing the need for detailed narrative reports from both UN agencies and NGOs. No real links between funding allocations and past performance.</p> |
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|            |   |  | <p><b>Effectiveness:</b></p> <p>Relative scale of the fund allows it to be used strategically in DRC but remains in a 'gap-filling' role in Sudan.</p>  |
| Evaluation | Cosgrave, G. and Goyder, H. (2011) Evaluation of the Common Humanitarian Fund Country Report: Sudan, Channel Research on behalf of OCHA | Lit review; data analysis; interviews including at field level in Sudan; evidence triangulated and weighted. Fieldwork conducted Nov 2009. | <p><b>General points:</b></p> <p>¾ of funding allocated through transparent standard allocations. Rest divided into special allocations made at the beginning of the year for key pipelines and common services and emergency reserve allocations. These less transparent. Emergency reserve in particular had been used to top up funds which did not receive funds in standard allocation.</p> <p><b>Efficiency:</b></p> <p><b>Partnerships: higher transaction costs for NGOs</b> because of smaller grant sizes and more complex procedures, e.g. project sheet for OCHA and proposal for UNDP, in which budget composition and indicators may be different.</p> <p><b>Growth in funding to NNGOs:</b> in 2006 the CHF made no grants to National or Local NGOs (NNGOs). In 2007, the amount granted was less than \$100,000, but this rose to nearly USD6m in 2010.</p> <p><b>Flexibility and predictability:</b> Workplan process extremely lengthy (Aug-Nov) so planning takes place far in advance of actual interventions. Calendar year grant cycle contributes to lack of flexibility.</p> <p>CHF funding is <b>reliable</b>, in that it is available for new emergencies throughout the year. It is <b>not predictable</b>, in that agencies cannot predict whether they will get CHF funding. The large variations in the CHF funding pool are one factor driving unpredictability.</p> <p><b>Accountability:</b> UNDP receives both financial and narrative reports from NGOs. These are not automatically shared with OCHA, nor are they posted on the UNDP MDTF.</p> <p>Largely a proposal-based rather than performance-based allocation system: 'monitoring remains the Achilles' heel of the CHF as there was no evidence-based feedback for management decisions on funding'</p> <p>Costs of not monitoring: in support to common pipelines, FAO repeatedly procured seeds late with no penalty for poor performance; UNICEF levied 15% charge to procurement of standard NFI kit, considered completely out of appropriate range. Monitoring ought to have picked these up.</p> <p>OCHA monitoring unit for workplan disbanded in 2008. Replaced with M&amp;E officers attached to Tech Sec in 2009.</p> |

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|  |  |  | <p>Reccs: OCHA should establish an adequately-staffed monitoring unit to coordinate self-monitoring and reporting by grantees, and external monitoring by the sector leads. The CHF review board should consider allocating a percentage of funding to support monitoring by the sectors.</p> <p><b>Coordination:</b> Interviewees of all types stressed that the CHF had improved humanitarian coordination through:</p> <ul style="list-style-type: none"> <li>• reinforcing the cluster system by promoting participation</li> <li>• enhancing the authority of the HC and the role of the HCT</li> <li>• supporting cluster coordinators</li> <li>• enhancing the role of OHCA</li> <li>• promoting greater information-sharing by other actors</li> </ul> <p>But inclusion and transparency can lead to a tendency to want to satisfy the consensus view. Strategic decision-making gives way to <b>cake-sharing</b>. This is reduced when geographic envelopes reduced from six to two and when allocation policy papers were published to indicate what projects would be scored against.</p> <p>Pass-through funding: NGOs prefer direct funding as it is less restrictive and often permits more flexible funding of support costs. NGOs questioned the added value of UN pass-through funding and its cost-effectiveness given the level of funds retained. Pass-through is not transparent so it is not possible to determine the extent or cost of this practice.</p> <p>Allocation process is rife with conflicts of interest.</p> <p>Big increase in number of NGOs participating in WP in order to access CHF funding.</p> <hr/> <p><b>Effectiveness:</b></p> <p><b>Critical mass:</b> Only 63 NGOs (International and National) got funding in 2009 against 76 in 2008, a fall from 66% of the number engaging in the WP process to 42%. Participation declined owing to the reduced likelihood of funding due to a fall in donor contributions. Exchange rate variations and late payments (from Spain) were another factor.</p> <p>Partnership: On several occasions the HC disregarded the advice of the CHF advisory board. This was strongly criticised and is considered against the principles of partnership.</p> <p><b>No real objective measure of need</b> guides the division of funds between North and South. The South received 38.1% of funds on average in 2007-9 and 38.6% in 2010.</p> |
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|            |   |   | <p>Comparative advantage of CHF in funding projects which (a) already have other funding (b) are already established (12-month implementation period and late disbursement of funds) (c) have large procurement element (funds can be front-loaded in disbursements) and (d) have low staff costs. Therefore <b>less well suited to addressing new needs.</b></p> <p>‘Overall, as the CHF <b>tends to fill gaps</b> rather than fund independent projects, CHF projects are coherent with other humanitarian funding in Sudan. However, the fact that the CHF encourages participation in the Work Plan process <b>leads to far greater coherence and connectedness.</b>’</p>  |
| Evaluation | <p>Foster, M. Bennett, J. Brusset, E. and Kluyskens, J. (2010) Country Programme Evaluation: Sudan, UK Department for International Development (DFID) Evaluation Report EV708, March 2010.</p> | <p>Evaluation of DFID Sudan’s programme during the period 2005-2008.</p> <p>Literature review and extensive interviews based on standard matrix of questions adapted to country and programme area.</p> | <p><b>Relevance</b></p> <p>Envisaged humanitarian aid would be reduced from 60% to 30% of the country programme by 2010-11. Expected new pooled funds to expand recovery spending and share via multilaterals and pooled funds to increase.</p> <p>Logic that (1) success of CPA and other peace initiatives necessary precondition for poverty reduction (2) DFID well placed to support transition as part of whole of government approach with FCO and MoD. Expected major increases in peace and justice spending.</p> <p>‘The major problem with regard to the relevance of DFID strategy as it has developed is the loss of focus on the underlying DFID “mission” of poverty reduction.’ Connections not made as to how this support to security and stability contributes to poverty reduction.</p> <p>Right to support coordinated approaches and efforts to reduce transaction costs, but ‘we believe DFID has gone too far in disbursing such a large share of DFID aid through pooled and multilateral funding mechanisms, and encouraging other donors to do likewise, without sufficient questioning of whether the instrument as designed actually advances aid effectiveness objectives’.</p> <p>DFID’s dilemma: It has allocated the bulk of its funding to instruments that have proved inadequate to the task assigned to them, and has delegated some of the policy influence functions to a joint team that lacks the professional capacity to exert influence proportional to the collective weight of the donors supporting it.</p> <p><b>Efficiency</b></p> <p>CHF is ‘slow and unpredictable, and is therefore used not for critical needs, as originally envisaged, but for top-up funding on projects that draw on more reliable sources for their highest priority spending. Despite a complex allocation process, quality control at entry remains weak, as is monitoring and evaluation. It attracts only 11-16% of humanitarian aid, and the 2007 evaluation found no evidence of positive impact on either the level of aid or the proportion provided via the coordinating mechanism of the UN Workplan. The objectives remain relevant, but the procedures need reform’.</p> |

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|  |  |  | <p>In practice gains in reduced transaction costs through multilateral and pooled funding blunted by need to tackle frequent institutional bottlenecks. ‘The need to solve process problems has arguably reduced the focus on achieving impact.’</p> <p>Recc: introduce some multi-year programmatic grants for funding predictable requirements of well-established agencies and NGOs.</p> <p>The cumbersome process allocates small average amounts of short-term funding for a huge number of projects (550 allocations in 2008 with average size of just \$270,000). Very different from that envisaged in the draft Country Engagement Plan, which proposed fewer, larger grants in programmatic form.</p> <p>Probability of receiving funds is both low and uncertain.</p> <p>‘CHF has never come close to being a common fund that most donors would use; instead, it has been one more source of funds with few advantages compared to the alternatives.’</p> <p>Note that DFID disagrees with the report’s findings on the CHF, notably the recommendation that it should support recovery activities. ‘While it has had its share of teething problems, it has been independently and positively reviewed as a catalyst for reform: promoting more accountable financing, better sectoral coordination, stronger leadership by the Humanitarian Coordinator, and greater donor harmonisation.’</p> <p>‘The CHF allows sub-granting only when the passthrough agency adds meaningful value in the process, such as enhanced technical guidance or increased monitoring, reporting and evaluation capacity of the implementing partner.’</p> <p>VFM analysis in 2012 concluded that core pipelines and common services provided economy of scale savings and that CHF funds should not support food aid or refugee programmes via HCR which HC encouraged bilateral donors to fund instead.</p> <p><b>Effectiveness</b></p> <p>Workplan not a strategic plan, rather a shopping list, especially for specialist UN agencies.</p> <p>Cites Stoddard et al. (2006) as saying ‘additional layers of bureaucracy and transaction costs created by the CHF, which resulted in significant delays and fewer benefits reaching people on the ground’.</p> <p>The CHF has enabled systematic collection of sex and age disaggregated data by standardising CHF reporting formats and ensuring that all output indicators are disaggregated. This has provided an entry point for a</p> |
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|                  |  |   | <p>meaningful gender analysis of cluster achievements and the impact of the CHF. In 2013, the CHF turned the gender marker into a compulsory project selection criterion.</p> <p><i>'The CHF offers useful leverage to help clusters strengthen M&amp;R mechanisms and access qualitative information on the impact of their programmes. This effect has been visible at different levels: from putting M&amp;R on the agenda and developing clusters' M&amp;R systems, to facilitating the collection of disaggregated data to improve a targeted response to differentiated needs.'</i></p>   |
| Evaluation       | Hutton, K. (2013) Review of Funding Mechanisms Supporting Delivery of Health Services in South Sudan, April 2013. Integras Consulting. |   | The delayed procurement of the Emergencies Medical Fund will leave a significant gap of several months and it is likely that emergency funding mechanisms, e.g. OFDA, ECHO, CHF, will be approached to fill this gap  |
| Programme report | OCHA South Sudan (2013) Common Humanitarian Fund South Sudan Annual Report 2012.   | Annual report produced internally drawing on financial data from OCHA and UNDP and monitoring data and information from clusters. | CHF received 15% of funding for projects in the CAP   |
|                  |  |   | <p><b>Relevance</b></p> <p>'The CHF has provided value beyond its financial resources. The fund has helped strengthen the central role of the UN Humanitarian Coordinator in setting a coherent strategy for the response and influencing programming. It has also empowered the cluster system by delegating authority to formulate strategies and response plans.'</p> <p>Majority of funding contributions in March, same month as allocation process, and disbursements took place in April, leaving little time for procurement and transport before the rainy season. For the second allocation, contributions spread over four months leading to prolonged disbursement. Spend rate only 52% by end December because of delayed disbursement of second allocation.</p> |
|                  |  |   | <p><b>Effectiveness</b></p> <p>CHF helped fill gaps in the response and prevent a disruption of activities during the transition to long-term funding models, particularly in the health sector. Provided funding to NGOs in health sector to maintain services while longer-term health financing mechanisms were being established and NGO funding had dropped.</p> <p>80% of reserve allocated to scale up to refugee response mid-year</p>  |

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|                  |  |   | <p>Complementarity with CERF:</p> <p>Under-funded allocation of USD 20m at the beginning of the year to cover late contributions from donors used for prepositioning. Complemented by March CHF allocation which supported common transport services and logistics cluster plus front line services. In July at the height of refugee arrivals from Sudan a CERF Rapid Response grant of USD 20 million was received for UN programmes in education, food, health, nutrition and protection complemented by CHF reserve allocation of USD 10m to NGO projects.</p> <p><b>Efficiency</b></p> <p>‘The inclusiveness of the cluster approach, with UN agencies and NGO partners co-leading the clusters, has put humanitarian organizations on an equal footing in the management of the fund, bolstering partnership within the aid community.’</p> <p>M&amp;R specialists deployed to eight clusters.</p> <p>A priority for the CHF Technical Secretariat in 2013 will be to set up a database to track projects and improve visibility on the timeframe of disbursements.</p>                          |
| Programme report | OCHA South Sudan (2014) Common Humanitarian Fund South Sudan Annual Report 2013. | Annual report produced internally drawing on financial data from OCHA and UNDP and monitoring data and information from clusters. | <p>Contributions down 22% on 2012. Competition at the global level including with Syria. CHF provided 8% of CAP requirements and 12% of funding within the CAP.</p> <p><b>Relevance</b></p> <p>Mixed results in efforts to align contributions, allocations and disbursements with seasonal calendars. First-round allocation took place in February but disbursements delayed as donor contributions received between March and July. Second-allocation contributions received in same month (August) speeding disbursements.</p> <p>Number of extensions resulting from delays in fund disbursement owing to the timing of allocation processes and donor deposits more than doubled.</p> <p>Improvement on 2012 when most contributions received in October. DFID made its contribution (USD31m) in December for January 2014 allocation.</p> <p>Dutch contribution reported as USD 20m in 2012 but just USD 5m in 2013.</p> <p><b>Efficiency</b></p> <p>83% of funds to ‘top priority’ projects ‘demonstrating the responsiveness of the CHF to the shifting priorities of the aid operation’.</p> |

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|  |  | <p><b>Partnership:</b> First allocation one month earlier in February rather than March (2012) to enable pre-positioning during the dry season (December-June). Disbursements (delayed due to late deposits) prioritised for NGOs – considered to have less capacity to pre-finance – first.</p> <p>NGOs received half of funds up from 42% in 2012; NNGO funding increased by 50%.</p> <p>Tech Secretariat carried out ‘capacity-building’ workshops for new and existing partners on contracting, reporting and other project management issues. Special session for NNGOs.</p> <p>Fund played two main roles: (1) <b>top-up funding</b> – filling gaps and leveraging funding from other sources (of 139 projects funded, around half received less than 50% of their total funds from the CHF; bridged gap in UNHAS funding in May; bridged funding gap for many mine action partners – funded more than half of CAP projects) (2) major source of enabling funding for timely procurement and life-saving assistance (for 60 of the 139 projects, the CHF contribution was over 75% of total funds). CHF funded over half of all CAP projects.</p> <p>‘As a funding source, the CHF is of the utmost importance for protection partners.’ For both gap-filling and for building capacity of national NGO partners where CHF often funds the start-up of activities.</p> <p>Pipeline support increased <b>efficiency</b> through reduced procurement costs (Education, FSL, NFI/ES).</p> <p><b>Flexibility</b> allowed adaptation to emergency situation including through allowing budget realignments (NFI/ES, FSL, protection). HC approved an exceptional process to fast-track project revision and extension requests January-April 2014. By end April 33% of 208 2013 allocations had been revised or extended.</p> <p>Speeding up of the allocation process affected the quality of project submissions: ‘In 2013, much time was spent on the technical review of poorly designed projects, in part due to time pressure placed on partners.’</p> <p><b>Accountability:</b> The M&amp;R support provided by the CHF also strengthened the clusters’ ability to make more evidence-based decisions. Monitoring results fed into CHF allocation processes and informed funding decisions. This was partly achieved through the introduction of a partner performance index.</p> <p>26% of all frontline projects were monitored, either during a dedicated visit or as part of other cluster monitoring activities.</p> <p>A ‘mission on accountability to affected people’ mechanism in South Sudan carried out in 2013 included a review of CHF with recommendations on how to strengthen accountability to recipients of assistance. CHF monitoring visits considered how affected people were included in design and implementation with recommendations to partners for further improvements.</p> |
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|                            |  |  | <p><b>Effectiveness</b></p> <p>Development opportunities with work on South Sudan Development Compact and new Health Pooled Fund. By November put in place a three-year planning framework for humanitarian action focusing on resilience and national capacity to deliver basic services. This strategy ‘dramatically upended’ when violence broke out in mid-December. ‘Where applicable, the fund made an effort to ensure complementarity with existing or new development funding.’</p> <p>Support to refugee operation fell from 22% to 9% of fund allocations in 2013.</p> <p>Over 60% of funds targeted Jonglei, Upper Nile and Unity.</p> <p>Support to coordinated common NFI pipeline supports uniformity of response and more effective coverage.</p> <p>CHF financed nutrition surveys (might these otherwise not be funded?)</p> <p>Pre-positioning of supplies before rainy season first priority of first allocation. Support to pipelines at risk of rupture priority of second allocation. 23% of CHF funds for core pipelines in 2013.</p> <p>Complementarity with CERF: Used most (USD 9.5m) of CERF allocation (USD 11.6m RR) to fund high-cost items for Jonglei response to avoid disadvantaging routine operations funded under CHF. In CHF second round, only 22% allocated to Jonglei response with remaining 78% maintaining response elsewhere.</p> <p>Education under-funded in 2013. From December became ‘deprioritised’ to make way for ‘life-saving’ activities. But CHF main source of funding for Education in emergencies: CHF funds 89% of education partners.</p> |
| Policy study (independent) | Poole, L. and Primrose, J. (2010) Southern Sudan: Funding according to need. Development Initiatives: Wells, UK. | Literature review and semi-structured interviews in South Sudan. | <p><b>Relevance</b></p> <p>Greatest determinant of scope of interpretation of needs is how large the funding envelope is.</p> <p>In protracted crises, donors need more than a snapshot of acute needs; ‘Instead, they need a rich forward thinking analysis of patterns of vulnerability, risk factors and trends in order to anticipate likely acute humanitarian needs across annual planning cycles’.</p> <p>‘The needs presented in the Workplan ... are invariably presented as funding needs rather than as an objective statement of humanitarian needs and are therefore open to agency bias and exaggeration’.</p> <p>From 2009, efforts to improve evidence base: Creation of inter-sectoral working groups and partial roll-out of clusters from early 2010. Nutrition cluster agreed on standard methodology for data collection and had conducted a mapping of nutrition surveillance and response capacity and gaps.</p>   |

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|                |   |   | <p>Top-up funding: other sources. <b>The primary determination of what needs require funding in many cases, therefore, is taken outside of the CHF process, by bilateral donors who are able to make more certain funding commitments at an earlier stage of agencies' annual planning and budgeting processes.</b></p> <p>Humanitarian indicators of need alone cannot give decision-makers all the information they require to prioritise and allocate funding for this broad spectrum of activities, which relies on both predictability and commitment and also flexibility and the ability to react rapidly to respond to new needs.</p> <p>'[C]reation of an artificial competition for humanitarian funding and to manipulation of the presentation of humanitarian needs to match donor preferences'.</p> <p><b>Efficiency</b></p> <p>In 2008 funds declined while needs increased so DRHC for SS initiated new set of priorities to focus the CHF allocation process along three categories: A Core pipelines; B Existing safety net and essential common services; C 'big ticket, big win' sector portfolios. In event only A and B received funding. 'However, this certainly does not constitute an objectively derived, evidence-based assessment of priority needs; rather, it is a damage limitation reaction to a slow-burning funding crisis and rapidly escalating humanitarian needs.'</p> |
| Mission report | Gwi-Yeop Son (2013) Mission of the CPD Director to the Democratic Republic of Congo (DRC), South Sudan and Nairobi, Kenya 14-25 October 2013. 11 November 2013. | Monitoring mission with OCHA, UNDP BCPR and UNDP MPTF office. Purpose: to develop recommendations for improving the management of CHFs particularly with reference to the Managing Agent function which had been noted as problematic in the 2010 global evaluation of the CHF. | <p><b>Effectiveness</b></p> <p>Serious gaps in transition funding.</p> <p><b>Efficiency:</b></p> <p>The approach of using UNVs for CHF monitoring in South Sudan was repeatedly highlighted by many stakeholders as best practice for strengthening cluster capacity and reporting at the CAP/outcome level.</p> <p>Late disbursements raised as a concern plus lack of flexibility in project revision process, which was considered overly bureaucratic and rigid.</p> <p>High level of operational and financial risks faced by UNDP and OCHA, including inaccessibility, capacity of partners, operating costs, which place heavy demands on systems for capacity assessment, reporting and monitoring.</p> <p>Donors queried transparency of fee charged for MA function and want assurances that the service is in fact efficient and effective.</p>  |

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|                            |   |  | <p>Proposes that MA function be re-packaged and a new entity called an ‘Operational Support Agent’ created to provide specific financial services to the CHF. Whether UNDP could adjust its procedures to serve as OSA not yet established. Then OCHA would take the lead on programmatic monitoring and assess performance at the project and outcome level.</p> <p>Proposed identifying minimum services UNDP has to deliver in all CHFs and reach agreement on reasonable support costs, which must be lower than current 7%.</p> <p>Proposed commissioning an independent assessment of functions and costs of management modalities of CHFs in first Q of 2014.</p>   |
| Policy study (independent) | Stoddard, A. (2011) Prospects for Integrating a Programme-Based Approach in CAPs and Common Humanitarian Funds: A Scoping Study. Humanitarian Outcomes. | <p>Literature review, interviews (36) and analysis of funding data. Notes findings may be biased towards HQ and UN perspectives.</p> <p>Commissioned by UNHCR on behalf of the IASC Humanitarian Financing Group Task Team</p> | <p>Investigates point raised in Salomons (2009) study on transaction costs that ‘projectisation’ engendered by CAPs and pooled funds is regressive, administratively burdensome and therefore costly, resulting in increased reporting burden and piecemeal funding. Agencies argued that a programme-based approach could improve overall strategic planning for longer-term results for beneficiaries.</p> <p>Definition: ‘Projects aim to produce the direct outputs of activities (such as X number of shelters constructed, wells dug, children vaccinated, etc.); whereas a programme is typically larger and wider ranging, involving multiple different types of outputs that are synergistically linked to contribute to outcomes. Outcome-level change entails broader and longer term results for the population being served (such as increased access to health care or clean water, for instance). Outcome goals can be focused within a single sector or involve multiple sectors for the benefit of a particular beneficiary group (such as IDPs, demobilized soldiers, or children). A programme can therefore be defined as ‘a grouping of activities and partners linked within a cohesive strategy to achieve specific, measurable humanitarian outcomes for a sector or a defined beneficiary population’ and a programme based approach as “A means of strategic planning, resource mobilization and reporting based on programmes as the basic unit of organisation”.’</p> <p>Predictability - the availability of advance, unearmarked funding allowing for preparedness and planning</p> <p>Flexibility - the autonomy to decide on priorities and resource allocations independent of the funding source</p> <p>Issues in existing CAP and CHF approach include both effectiveness and efficiency considerations:</p> <ul style="list-style-type: none"> <li>- Coordinated planning that lacks an overall cohesive strategy due to focus on output-level results</li> <li>- Multiple formats, criteria and indicators for proposals and reporting</li> <li>- Inability to incorporate multi-sectoral objectives and programming</li> </ul> |

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|                 |  |  | <p>In addition, however, the possibilities for programme-based approaches have diminished with donor shift away from bilateral programming and donors no longer accepting global annual reports as the sole source of reporting.</p> <p>Theoretically, in a programme-based approach, accountability would shift towards higher-level outcomes rather than low-level outputs and processes that do not give any sense of how the system is performing as a whole.</p> <p>‘To summarize, the common humanitarian financing tools have been credited for enhancing flexibility and predictability by some, and blamed for reducing flexibility and predictability by others. Both statements are true; with establishment of the common humanitarian financing mechanisms the trade-off has been made in favour of the aggregate, or system-level. By enhancing predictability and flexibility at the level of the overall system, it has arguably detracted from predictability and flexibility at the individual agency level.’</p> <p>‘There is little disagreement that a conglomeration of projects does not add up to a cohesive plan.’</p> <p>Pressure (supposedly from donors) for greater output-level reporting on CHF funds. Adds to administrative burden but does not really add anything in terms of understanding system-level outcomes and impact as information is fragmented and gets stuck within agencies.</p> <p>OCHA is now working to develop project monitoring templates to be incorporated into OPS.</p> <p>Agency and NGO interviewees agreed that outcome-level reporting is achievable for the system at the cluster level.</p> <p><b>Option 1:</b> Incorporate and facilitate agency-level programme-based approaches in current modalities. But bifurcation of CAPs into project- and programme-level outputs could make overall priorities and outcomes less clear.</p> <p><b>Option 2:</b> (recommended for piloting) Adopt a system-wide programme-based approach for CAP countries. This more ambitious option would reframe all the CAPs/CHAPs for chronic emergencies on the basis of programmes with outcome-level targets, and would integrate separate projects as components of these programmes.</p> |
| Policy guidance | IASC (2012) Pooled Funds and the Transformative Agenda: Responding to Level 3 Emergencies. Inter-Agency Standing | Based on lessons learned from Haiti earthquake and Pakistan flood responses in 2010. | <p><b>CERF:</b> Each crisis received three allocations, which was considered too much. Therefore in L3 emergencies, CERF funds will be granted within the first five days in the range of USD 10-20 million depending on the situation and response capacity.</p> <p>MIRA phase I initiated; initial strategic response developed and flash appeal triggered. Initial CERF request also drafted. Expected to include provision for common logistics, telecoms and UNHAS. Revised CERF budget to be submitted within 45 days.</p>   |

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|                | Committee Transformative Agenda Reference Document |  | <p>Additional CERF requests may be made after completion of MIRA II and ceiling of USD 30 million per crisis may be waived if situation warrants it.</p> <p><b>Country-based pooled funds:</b> Within first 72 hours and under ‘empowered leadership’ mode, HC given greater authority to determine priorities (though still based on consultations with HCT, other coordinating bodies and assessments).</p> <p><b>‘Suspend all ongoing allocations which do not meet life-saving needs and divert all available funds toward the emergency.</b> All funds which have been designated to a particular project through the CHF process but not disbursed by the CHF to the recipient agency/NGO at the moment of the event, in addition to those set aside in an emergency reserve (typically 10 percent), would be immediately redirected towards the Level 3 emergency.’</p> <p>UNDP to activate Fast Track prioritisation including a reduced level of detail in initial project applications.</p> <p>At IASC level recommends: ‘[shifting] the CHF model, which utilizes allocation rounds and elaborate prioritization and allocation process, to an emergency response fund mode and bypass prioritization meetings’.</p> <p>Preparedness: Identify and conduct capacity assessments on potential partners as part of contingency planning.</p>  |
| <b>Context</b> |  |  |  |
| Evaluation     | Aiding the peace                                   |  | <p>Dominant ‘theory of change’ emerged from the 2005 Joint Assessment Mission (JAM): lack of development is a cause of conflict, therefore all development contributes to conflict prevention and peace-building referred to as a ‘peace dividend’. Development is both a reward for peace and a means of avoiding further conflict. But there never was a clear causal link between under-development and conflict in South Sudan.</p> <p>The reasons for violent conflict are more often found in ethnic divisions, land and cattle disputes and disaffected youth – variables that are in many cases outside the influence of socioeconomic forms of assistance. Interestingly, there is no correlation between the larger amounts of aid in some geographical areas and the occurrence or reduction of violence.</p> <p>A sophisticated and nuanced analysis of power relations, causes of vulnerability and drivers of conflict and resilience indicators was largely missing from the design and execution of many aid programmes.</p> <p>Before 2005, donors maintained good technical and political coherence, effectively managing and subordinating tensions and divergent agendas to a collective goal: supporting the negotiation of a just and lasting peace (through the CPA). In the years after the agreement was signed, however, the growing distraction of Darfur and the reassertion of individual donor agendas and approaches caused coherence to deteriorate.</p> |

## Annex 3. Structured questionnaire

## Annex 4. Example semi-structured questionnaire

| Indicators  | Questions  | Responses |
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| <b>1. Decision-making/input (Links to HO and IOB sub-study on relevance of Dutch HA policy)</b>                       |  |           |
| <b>1.1. What assessment can be made of the Netherlands' processes and capabilities?</b>                               |  |           |
| 1.2.4. Adequate capacity to engage in regular context-analysis, principled engagement and humanitarian advocacy       | <p>Have you had any direct interaction with the Dutch government's representatives on humanitarian issues?</p> <p><b>Are you aware of the Dutch government's country representatives participating in context analysis, or engaging and advocating in support of principled humanitarian action?</b></p>   |           |
| <b>12. Efficiency (Links to HO sub-study on the efficiency and effectiveness of the HA provided by the UN system)</b> |  |           |
| <b>2.2. Did the CHF meet expectations and objectives as regards funding and coordination?</b>                         |  |           |
| 2.2.4. Evidence the CHF supports increased funding through and participation in the CAP                               | <p>Does the existence of the CHF make you more likely to participate in the CAP/SRP process?</p> <p><b>Does your organisation also have activities which are funded outside of the SRP? Why are these not included? Who funds these? (Note: trying to get a sense of where the limits of coordinated humanitarian action lie and how important what lies outside is)</b></p> |           |

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| <p>2.2.5. Extent to which RC/HC, UNHCT and cluster leads use the CHF process as a tool to strengthen coordination (adapted from CERF PAF)</p>  | <p><b>In what ways does the CHF strengthen cluster coordination?</b></p> <p>To what extent does cluster-level analysis and prioritisation of needs and response influence your own understanding of the crisis and planning assumptions?</p>   |  |
| <p>2.2.6. Leadership and involvement of RC/HC in humanitarian operation improved (CERF PAF)</p>  | <p><b>Is the CHF used effectively by the HC to meet the most critical needs in South Sudan?</b></p> <p>Does the HC use his influence to also advocate effectively for principled humanitarian action on behalf of funding recipients?</p>  |  |
| <p>2.2.7. INGO/NNGOs receive appropriate levels of funding (directly or indirectly) through pooled funds, CERF and the CAP. (TA indicators; contributes to effective leadership)</p> | <p><b>Do you think NGOs receive an appropriate share of the overall CHF funds directly? (in 2013 UN 54%; NGO 3%; UNDP MA fee 3%)</b></p> <p>Is the proportion of CHF funds passed on to NGOs indirectly (i.e. via pass-through/partnership funding) appropriate?</p>   |  |
| <p>2.2.8. Evidence that the CHF supports improved partnerships</p>   | <p>In what ways does the CHF support partnership among humanitarian organisations? (<i>prompts: joint planning and coordination; enabling funding partnerships; encouraging NNGO participation in coordination</i>)</p> <p>Are NGOs (including NNGOs) adequately represented in fund decision-making processes?</p> <p><b>Do you feel that through participating in CHF processes that your organisation has greater</b></p> |  |



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|  | <p><b>opportunity to influence high-level priority-setting for the overall response to the crisis?</b></p> <p>Has the CHF created problems or new challenges to partnerships? (<i>e.g. disproportionate influence of cluster leads; increase in sub-contracting; terms of sub-contracting agreements</i>)</p> <p><b>To what extent are smaller organisations disadvantaged when competing for funds?</b><br/>Have larger organisations been favoured in the current crisis response? What is the rationale for this and do you agree with this?</p>  |  |
| <p>2.2.9. Pooled funds are managed by transparent processes, clear allocation criteria, and are timely in their disbursements (TA indicators; contributes to effective leadership)</p> | <p><b>Do you agree that the CHF is managed according to transparent processes and clear allocation criteria?</b></p> <p>Are you generally satisfied with the transparency and rationale presented for Advisory Board allocation papers and cluster prioritisations?</p> <p>Are you satisfied with the transparency and rationale for supporting allocations outside of the control of clusters including for core pipelines and services and the emergency reserve?</p> <p><b>Are disbursements sufficiently timely to enable rapid commencement of activities?</b> Are there examples of where this has impacted on your ability to implement planned activities?</p> |  |

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| <p>2.2.10. Funding recipients satisfied with 'transaction costs' associated with participation in CHF</p>                      | <p>Are the contractual requirements and terms on which UN agencies/NGOs access pooled funds appropriate and efficient?</p> <p>Have you noticed any material changes (positive and negative) in proposals and monitoring and reporting requirements in the last 18 months? How has this affected you?</p> <p><b>Is the amount of time your organisation spends in coordination related to the CHF reasonable?</b></p> |  |
| <p>2.2.11. Availability of CHF funds appropriate to seasonal and other context requirements and constraints</p>                | <p><b>Is CHF funding available in good time to allow prepositioning and programming in appropriate seasonal windows?</b> If not, how has this impacted on your programmes?</p>   |  |
| <p>2.2.12. CHF supports transparent and robust monitoring of project implementation and outcomes</p>                           | <p><b>Are monitoring and reporting requirements appropriate and manageable from your agency's perspective?</b></p> <p>How would you rate the effectiveness of the monitoring of CHF funded project implementation and outcomes?</p> <p>Have you observed this monitoring information being used in CHF funding allocation processes?</p>   |  |
| <p><b>3. Effectiveness (Links to HO sub-study on the efficiency and effectiveness of the HA provided by the UN system)</b></p> |  |  |
| <p><b>3.2. Did the CHF meet expectations and objectives as regards contextual relevance?</b></p>                               |  |  |

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| 3.1.1. Analysis of funding undertaken to inform prioritisation process and facilitate appropriate direction of funds (CERF PAF)                                     | Are CHF priorities determined with adequate reference to what other donors are funding?  |  |
| 3.1.2. Strategic priorities and allocation decisions are based on analysis of objective evidence of humanitarian needs  | <p><b>To what extent do you think CHF prioritisation processes are evidence-based?</b></p> <p>Do you generally agree with the geographical priorities identified in the Advisory Board allocation policy papers? How readily can you secure funding for non ‘hot-spot’ or priority geographical areas?</p> |  |
| 3.1.3. The needs of vulnerable groups are taken into account  | <p>Are the needs of vulnerable groups taken into account in prioritisation?</p> <p><b>Are you required to disaggregate the needs of vulnerable groups in proposals and reporting?</b></p>  |  |
| 3.1.4. Prioritisation and availability of funds responsive to changes in humanitarian context and needs   | <p>Is the CHF responsive to changes in the context?</p> <p><b>How do you ensure continuity of funding for ongoing activities in areas which are no longer CHF priorities when the context changes?</b></p>   |  |
| 3.1.5. Availability of CHF funding recognised by recipient agencies as being fundamental to ability to respond to lifesaving needs and gaps (adapted from CERF PAF) | <p>How important do you think the CHF is in the funding landscape in South Sudan?</p> <p>What are the most important functions it performs?</p>  |  |
| <p><b>3.2. What assessment can be made of the effectiveness of the CHF in responding to sudden/unforeseen needs?</b></p>  |  |  |

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| <p>3.2.1. CHF considered an important source of surge funding by implementing partners</p>  | <p><b>How well do you think the CHF has adapted to the escalation of the crisis in South Sudan since December 2013?</b></p> <p>Do you think the CHF is an effective source of surge funding?</p> <p>Do you think the emergency reserve is used effectively to facilitate rapid response?</p>   |  |
| <p>3.2.2. Timeline from crisis event to fund disbursement compares favourably with bilateral and CERF funding surge timelines</p> | <p><b>Do you consider the timeliness of CHF allocation and disbursement processes to be appropriate to enable rapid response?</b></p>  |  |
| <p>3.2.3. Evidence of complementarity with other sources of surge funding</p>   | <p>Has CHF surge funding been used effectively in coordination with other sources of surge funding including the CERF in response to the recent crisis? And in response to the Jonglei crisis in 2013?</p>   |  |
| <p><b>3.3. What assessment can be made of the effectiveness of assistance in the major fields that the CHF funded?</b></p>        |  |  |
| <p>3.3.1. Evidence CHF met gaps in key clusters</p>   | <p>Do you have direct or indirect experience of the CHF providing funding to otherwise 'under-funded' cluster activities or geographical areas?</p> <p><b>How important is the gap-filling function of the CHF to ensuring rational coverage of needs?</b></p> <p><b>To what extent do you agree that the CHF should regularly support core pipelines and common services?</b></p> |  |
| <p>3.3.2. CHF supports coordinated responses in specific crisis-affected localities</p>   | <p><b>To what extent does the CHF enable rational coverage of needs as the local level?</b></p>  |  |

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|   | Are projects operating in a single state less likely to receive CHF funding?  |  |
| <b>3.4. What assessment can be made of the CHF's contribution to self-reliance and durable solutions?</b> |   |  |
| 3.4.1. CHF supports promotion of self-help and capacity-building as an important component of HA          | <b>Is the CHF an appropriate source of funding for capacity-building or resilience types of activities?</b><br><br>How do you finance capacity-building activities? |  |
| 3.4.2. CHF supports inclusion of longer-term development perspective in HA                                | Does the CHF promote a longer-term planning perspective?  |  |
| 3.4.3. CHF develops complementary linkages with other pooled funds and development funding sources        | <b>Does the CHF facilitate linkages and a division of labour with sources of transition or development funding?</b>   |  |

## Annex 5. Timeline of humanitarian, political and policy events

| Year                                  | 2005  | 2006  | 2007   | 2008   | 2009  | 2010   | 2011   | 2012  | 2013   | 2014  |
|---------------------------------------|---|---|--|--|---|--|--|---|--|---|
| <b>Political event</b>                | <p>Signing of Comprehensive Peace Agreement (July)</p> <p>Oslo donor conference on financing support to transitional period</p> | <p>Conflict: Major clashes in Malakal between SPLA and OAG</p>                                    | <p>Political crisis: GoSS withdraws from GoNU</p>        | <p>Sudan-wide population census</p> <p>Conflict: Major clashes in Abyei</p> <p>Conflict: Spate of attacks on civilians by LRA in Equatorial states</p> | <p>Elections</p>  | <p>Conflict: Rebellion led by Maj. Gen. George Athor in Jonglei</p> <p>Conflict: Rebellion led by David Yao Yao in Jonglei</p> | <p>Referendum and secession (July)</p> <p>Conflict: Escalating communal violence in Jonglei State</p> <p>UN Mission for South Sudan (UNMISS) established with strengthened mandate for protection of civilians</p> | <p>Oil crisis leads to fiscal crisis and imposition of austerity measures</p> <p>Conflict: Resumption of David Yao Yao's rebellion in Jonglei State</p> | <p>Political crisis: President sacks key ministers including Vice-President</p> <p>Major conflict breaks out between GoSS/SPLA and forces loyal to former VP Riek Machar (Dec)</p> | <p>Rapid escalation of civil conflict</p>   |
| <b>Humanitarian development/event</b> |   | <p>Creation of Sudan-wide Common Humanitarian Fund</p> <p>Closure of OCHA field offices in SS</p> | <p>Flash appeal issued in response to major flooding</p> | <p>Displacement of population from Abyei into Warrab State</p>   | <p>OCHA begins to scale up capacity</p> <p>Year of peak refugee and IDP returns</p> | <p>Activation of cluster system (April)</p>  | <p>Major displacement crisis in Jonglei</p>  | <p>Establishment of separate CHF for South Sudan</p> <p>Multi-cluster Initial Rapid Needs Assessment</p>  | <p>4.5 million (38% of population) estimated in need of HA at beginning of the year (UN SRP)</p>   | <p>1 million displaced due to civil conflict</p> <p>South Sudan declared a Level-3 emergency by the</p> |

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|   |  | Major AWD/cholera and meningitis outbreak across all 10 states<br><br>Household survey conducted   |  |   | (449,000)                  |  |   | (IRNA) introduced<br><br>Influx of refugees from Southern Blue Nile and Nuba Mountains into Upper Nile State | OCHA reports doubling in security incidents on previous year<br><br>CHF-funded monitoring officers assigned to 8 clusters | Emergency Relief Coordinator 11 Feb   |
| <b>Dutch humanitarian policy development</b>      |  | IOB evaluation of Dutch humanitarian aid<br><br>Netherlands commits to support UN humanitarian reform process<br><br>First contribution to CHF for Sudan |  | EU Consensus on Humanitarian Aid agreed |                            |  | OECD DAC Peer Review notes no progress in realising a Dutch humanitarian aid policy | New Dutch humanitarian aid policy 'Aid for People in Need' published   |   | Netherlands completes tendering process to agree strategic partnerships with 8 NGOs |
| <b>Dutch 'coherent approach' at country level</b> |  |  |  | Dutch Embassy                           | Shift in focus from Darfur |  |   | MASP II issued with focus on 'promoting  |   |   |

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|                                 |  |  |                                      | <p>opens in Juba</p> <p>MASP I (2008-2011) issued with emphasis on 'making unity attractive'</p> | <p>towards South Sudan in Dutch overall approach to Sudan</p> |  |  | <p>stability through mitigation of conflict; growth and development'</p> <p>(1) Security and RoL (2) Water management (3) Food security; plus continued support to security sector</p> |  |  |
| Dutch global policy development |  |  | Dutch 'Fragile States' policy agreed |  |   |  |  |  |  |  |



## Annex 6. Summary of CHF allocation priorities

| Year | Allocation type          | Allocation envelope  | Context  | Priorities  |
|------|--------------------------|--|--|---|
| 2010 | 1 <sup>st</sup> Standard | USD 98.6m<br>(includes USD 2.5m replenishment of SS ERF)<br>USD 42.4 (38%) allocated to SS |  | <p><b>Strategic priorities</b></p> <ul style="list-style-type: none"> <li>• Category A: Core pipelines that pre-position lifesaving humanitarian assistance were the first priority for 2010 CHF first round</li> <li>• Category B: Maintaining the existing safety net in the three key sectors of basic health services, education and water and sanitation</li> </ul>  |
|      | 2 <sup>nd</sup> Standard | USD 20m of which USD 8m (40%) to SS  | <ul style="list-style-type: none"> <li>• Emergency/humanitarian response requirements anticipated as a result of contingency planning for the upcoming referendum</li> </ul> | <p><b>Allocation process</b></p> <ul style="list-style-type: none"> <li>• Revisions to allocation model allow reduced period between review process and allocation by doing eligibility and technical sector reviews in parallel and adhering to 48-hour turnaround by CHF advisory review board</li> <li>• Combination of regional and thematic priorities</li> <li>• Note contrast with North Sudan strategic priorities, which are many and across most sectors</li> </ul> <p><b>Strategic priorities</b></p> <ul style="list-style-type: none"> <li>• Category B: Existing Safety Net and Essential Common Services: maintain the existing safety net in the three key sectors of basic health services, education and water and sanitation. In addition, activities from other sectors that address the current food gap and the increased protection needs due to inter-tribal violence or LRA activities</li> </ul> <p><b>Prioritisation considerations</b></p> <ul style="list-style-type: none"> <li>• On-going projects; targeting priority needs including in conflict-affected areas; value for money; low indirect costs; under-funded or will experience a funding gap in 2010</li> </ul> |
| 2011 | 1 <sup>st</sup> Standard | USD 108.4m   |  | <p><b>Strategic priorities</b></p>  |

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|  |                          | of which USD 43.7m (40%) to SS (includes USD 2.5m ERF replenishment) |   | <ul style="list-style-type: none"> <li>• Critical gaps in projects and programmes included in the ‘referendum-related humanitarian contingency preparedness’ funding request as well as sectoral needs in return areas. Plus priorities to maintain safety net projects and programmes in the three key sectors of basic health (including nutrition), education and water and sanitation, particularly in return areas, including provision of essential common services and protection in hot spot areas.</li> <li>• Considering the uncertainty in the post referendum scenario, up to 25% of SS allocation may be held in ERF</li> <li>• CATEGORY A: Pre-positioning core pipelines and being prepared</li> <li>• CATEGORY B: Maintaining the safety net</li> </ul> <p><b>Other points to note</b></p> <ul style="list-style-type: none"> <li>• Additional priority-setting exercise undertaken by sectors to identify projects meeting ‘urgent humanitarian needs’</li> <li>• Notes that the CHF is not meant for core funding but rather to meet urgent humanitarian needs and to address critical gaps, recommendations to utilise the CHF should complement sources of traditional donor funding</li> <li>• Special allocations retained from regional envelopes for common services. ERF for SS considered a special allocation, plus Sudan-wide UN HAS and coordination (CCS)</li> </ul> |
|  | 2 <sup>nd</sup> Standard | USD 17.7m (includes USD 2.5m replenishment of ERF)                   | <ul style="list-style-type: none"> <li>• Increased conflict and displacements in the Protocol Areas, particularly South Kordofan, in the aftermath of the referendum</li> <li>• Insecurity and displacement along northern border; anticipated influx of</li> </ul> | <p><b>Strategic priorities</b></p> <ul style="list-style-type: none"> <li>• CATEGORY A: Replenishing core pipelines and ensuring adequate logistics support</li> <li>• CATEGORY B: Supporting emergency response in high-risk areas</li> </ul> <p><b>Prioritisation considerations</b></p> <ul style="list-style-type: none"> <li>• The need to continue maintaining safety nets in Southern Sudan through activities that were prioritised for CHF 2010 first round allocation but were not funded or remain underfunded</li> </ul>   |

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|      |                          |                           | returnees; uncertainty surrounding the post-independence scenario   | <ul style="list-style-type: none"> <li>The need to replenish emergency reserve to address sudden-onset emergency needs arising from the worst case scenario in the Protocol Areas</li> </ul> <p><b>Other points to note</b></p> <ul style="list-style-type: none"> <li>A 'worst case scenario' envisaged for planning purposes</li> </ul>   |
| 2012 | 1 <sup>st</sup> Standard | USD 44m including reserve | <ul style="list-style-type: none"> <li>Sharply deteriorating humanitarian situation</li> <li>Anticipated increase in returns from Sudan</li> <li>Increased conflict and food insecurity</li> <li>Political and economic crisis with suspension of oil production and expected austerity budget</li> </ul> | <p><b>Strategic priorities</b></p> <ul style="list-style-type: none"> <li>Category A Priorities: Pre-positioning of emergency life-saving core pipelines, essential common services and logistics support,</li> <li>Category B Priorities: Supporting emergency safety-nets in hot-spot areas with large numbers of vulnerable people including displaced, refugees and returnees</li> </ul> <p><b>Prioritisation considerations</b></p> <ul style="list-style-type: none"> <li>Focus on Category B because A funded under CERF allocation</li> </ul> <p><b>Other points to note</b></p> <ul style="list-style-type: none"> <li>CERF UFE allocation of USD 20m made in mid Feb in light of late establishment of CHF and upturn in needs to fund core pipelines and services plus support to refugees</li> <li>Because establishment delayed, decision taken to follow proper allocation process, but in reduced timeframe to permit procurement before rainy season</li> <li>CHF reserve of 18% of contributions recommended by Board</li> <li>NL contribution was marked as 'TBC' at issuance of policy paper in March</li> <li>Pass-through arrangements, where organisations sub-grant funding to their implementing partner organisation without providing any meaningful guidance, coordination, technical advice, monitoring and evaluation capacities or any other function of additional value will not be accepted</li> </ul> |
|      | 2 <sup>nd</sup> Standard | USD 30m                   | <ul style="list-style-type: none"> <li>51% increase in CAP requirements at MYR (USD 1.55bn from USD 776m)</li> </ul>  | <p><b>Strategic priorities</b> Support to 2012 CAP priorities plus:</p> <ul style="list-style-type: none"> <li>CATEGORY A: Replenishing core pipelines and ensuring adequate logistics support</li> </ul>   |

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|  |  |  | <ul style="list-style-type: none"> <li>• Uneven funding response across clusters</li> <li>• Sharp deterioration in 1<sup>st</sup> half 2012 as a result of the combination of political and economic shocks, increased conflict and displacement and worsening food insecurity</li> <li>• Larger than expected refugee influx from Southern Kordofan and Blue Nile</li> </ul> | <ul style="list-style-type: none"> <li>• CATEGORY B: Supporting front line service providers in vulnerable states with large numbers of vulnerable groups, particularly IDPs, returnees, and high levels of malnutrition</li> </ul> <p><b>Prioritisation considerations</b></p> <ul style="list-style-type: none"> <li>• ‘Given the limited resources available it is recommended that life-saving humanitarian activities be prioritized so as to maximize the impact of the funds.’</li> <li>• WFP emergency food assistance will not be eligible given the magnitude of WFP’s requirements and the limited impact that CHF funds can have on food aid activities</li> <li>• Refugee programmes will not be eligible for the allocation having benefited from a total of USD 30m from the combined CERF rapid response grant (USD 20m) and CHF reserve (USD 10m) in July 2012</li> <li>• Prepositioning of core pipelines and essential common services and logistics support must be prioritised by the clusters through the second standard CHF round to maintain the minimum needed for the humanitarian operation</li> </ul> <p><b>Other points to note</b></p> <ul style="list-style-type: none"> <li>• At its meeting on 14 August, the CHF Advisory Board recommended that a reserve of USD 4m be maintained to enable the Humanitarian Coordinator to allocate funds in the event of unforeseen needs arising outside the CHF standard allocation (e.g. sudden-onset natural disasters, disease outbreaks, conflict-induced displacement). In reviewing applications for the CHF reserve, the Humanitarian Coordinator and the CHF Advisory Board will consider the appropriateness of proposed activities as well as the suitability of other funding mechanisms such as the CERF (Rapid Response and Under Funded Window) and the IOM Rapid Response Fund available in country.</li> <li>• Growing evidence of CHF providing ‘vital role’ in supporting seven core pipelines – often outweighing support from bilaterals</li> </ul> |
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|             |                          |           |  | <ul style="list-style-type: none"> <li>• Clusters should seek to ensure that projects recommended for CHF support have sufficient funds (through CHF and other donors) to implement priority activities</li> <li>• Need to demonstrate VFM</li> <li>• NNGOs will receive the allocation in hard currency (exceptional measure for the second round allocation due to the current economic situation for direct CHF disbursements through UNDP).</li> </ul>   |
| <b>2013</b> | 1 <sup>st</sup> Standard | USD 55.8m | <ul style="list-style-type: none"> <li>• Reduction in CAP requirements at MYR: USD 1.16bn to USD 1.05bn</li> <li>• Improved harvest; fewer returns; transition of refugee response from emergency to 'care and maintenance'</li> <li>• Violence and displacement (130,000) in Jonglei</li> </ul> | <p><b>Strategic priorities</b></p> <ul style="list-style-type: none"> <li>• Category A (first priority): Replenishing core pipelines and ensuring adequate logistics and common services support</li> <li>• Category B: Supporting frontline service providers in highly vulnerable locations with large numbers of vulnerable groups, particularly IDPs, returnees and high level of malnutrition</li> </ul> <p><b>Prioritisation considerations</b></p> <ul style="list-style-type: none"> <li>• Envelope expected to be USD 30-35m at time of drafting policy paper. Because of limited envelope, 'life-saving' activities prioritised</li> <li>• WFP emergency food assistance will not be eligible for this first-round allocation given the magnitude of WFP's requirements vis-à-vis the limited envelope</li> <li>• Refugees catered through core pipelines and refugee programmes not eligible for this first-round allocation. Emerging critical gaps will be addressed through bilateral funding, CERF RR and possibly CHF reserve</li> </ul> |
|             | 2 <sup>nd</sup> Standard | USD 32.9m |  | <p><b>Strategic priorities</b></p> <ul style="list-style-type: none"> <li>• Support to CAP priorities, with exception of food aid, which will not be eligible for CHF funds</li> <li>• Pipelines that are at risk of rupturing before end of the year (Category A)</li> <li>• Ensuring common logistics services to facilitate access during the rainy season (Category A)</li> </ul>  |

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|             |   |         |  | <ul style="list-style-type: none"> <li>Supporting frontline services in vulnerable locations focusing on activities as prioritised by clusters (Category B)</li> </ul> <p><b>Prioritisation considerations</b></p> <ul style="list-style-type: none"> <li><b>Life-saving activities</b> should be prioritised so as to maximise the impact of the funds. Clusters should apply the CERF life-saving criteria when defining priority activities.</li> <li><b>High-priority projects in CAP 2013:</b> Projects classified as high priority in the CAP 2013 should be weighted higher in the selection process at Peer Review Team (PRT) meetings</li> </ul> <p><b>Other points to note</b></p> <ul style="list-style-type: none"> <li>Health: Complementarity between CHF and Basic Health Fund will need to be outlined</li> </ul>  |
| <b>2014</b> | 1 <sup>st</sup> Standard (developed in early Nov before Dec crisis) | USD 45m | <ul style="list-style-type: none"> <li>2014 CAP requirements USD 1.1bn</li> <li>Stabilisation of the humanitarian situation due to slower refugee and returnee arrivals and slightly improved food security</li> </ul> | <p><b>Strategic priorities</b></p> <p>Strategy designed to ensure that the CHF ‘kick starts the most critical components of the humanitarian operation at the time of the launch of the new CAP’. The second CHF standard allocation planned in mid-2014 will consider focusing on the most underfunded clusters of the CAP.</p> <p>Priorities for first round:</p> <ul style="list-style-type: none"> <li>exclusively lifesaving activities in the 2014 South Sudan CAP</li> <li>takes into account critical window of opportunity offered by the dry season for the implementation of time sensitive activities ahead of the 2014 rainy season</li> <li>funding is provided to address most critical needs as identified through a consolidated vulnerability analysis to which clusters will further apply their respective analysis of needs, and existing coverage, to inform prioritisation</li> <li>promotes greater accountability on the use of resources allocated and transparency of financial requirements</li> </ul> <p><b>Prioritisation considerations</b></p> |

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|  |  |  |  | <ul style="list-style-type: none"> <li>• Clusters should apply the CERF lifesaving criteria when defining priority activities</li> <li>• Activities that are time sensitive (best implemented in the dry season) should be prioritised in accordance with the cluster strategy</li> </ul> <p><b><i>Other points to note</i></b></p> <ul style="list-style-type: none"> <li>• Competition between chronic vulnerabilities versus emergency need has in the past resulted in the CHF being approached to finance projects outside its scope. This was particularly evident during the 2013 CHF R2 allocation when two clusters were requested to take out of their respective portfolios projects that should have been funded through development streams</li> <li>• In the prioritisation of activities it is recommended that clusters follow a needs based approach based on a consolidated vulnerability analysis</li> <li>• Food aid will be excluded because of the limited impact that CHF funds can have vis-à-vis the significant requirements</li> </ul> |
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