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EVALUATION REPORTS

Agenda item 5

For consideration

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SUMMARY EVALUATION REPORT OF WFP'S USE OF POOLED FUNDS FOR HUMANITARIAN PREPAREDNESS AND RESPONSE (2009–2013)

Executive Board documents are available on WFP's Website (<http://executiveboard.wfp.org>).

NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for consideration.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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Should you have any questions regarding availability of documentation for the Executive Board, please contact the Conference Servicing Unit (tel.: 066513-2645).

* Office of Evaluation

EXECUTIVE SUMMARY

This evaluation analysed the use of pooled funds, and their contributions to the effectiveness and efficiency of WFP's operations between 2009 and 2013. It examined four main issues: i) the contribution of pooled funds to WFP's emergency response; ii) complementarities among pooled funds and other financing instruments; iii) the impact of coordination mechanisms and pooled-fund partnerships on WFP's capacity to prepare for and respond to emergencies; and iv) factors affecting WFP's use of pooled funds.

The evaluation found that pooled funds have made a positive contribution to WFP operations, particularly through their focus on life-saving interventions. The added value of pooled funds comes mainly from their relative timeliness, predictability and additionality.

The Central Emergency Response Fund rapid response window was effective in facilitating rapid response, and all pooled funds usefully complemented and supported the deployment of internal advance financing, which is critical to WFP's capacity to respond rapidly. Country-based pooled funds provided smaller-scale strategic contributions to WFP operations and were important in funding common services operated by WFP; they and the Central Emergency Response Fund worked effectively in synergy at the country level, with each fund having distinct and complementary objectives and modalities.

However, it was unclear how the Central Emergency Response Fund underfunded emergencies window contributed to ensuring adequate response to underfunded emergencies.

WFP engaged with coordinated strategy development and project appraisal mechanisms to obtain access to pooled funds, but this did not generally result in significant changes to the strategic approach or content of operations. The characteristics of pooled funds had limited impact on promoting coordination across the humanitarian system. Pooled funds have limited comparative advantage in financing cluster coordination costs, and at best played a supplementary role. They had little effect on relationships between WFP and its cooperating partners.

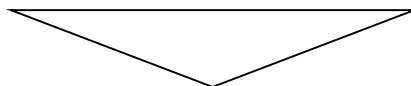
Reconciling WFP's large-scale operations with the project funding model of pooled funds remains challenging. By earmarking funding for specific activities within WFP operations, pooled funds increase transaction costs, constrain the flexibility of responses and contribute little to improving the quality of responses. The demand for disaggregated reports on the use of pooled funds at the project level is difficult to reconcile with WFP systems, and added little value. There was also insufficient attention to assessing the contributions of pooled funds to the broader goals of more timely response and institutionalization of the humanitarian reforms.

The evaluation recommends:

- i) maintaining and strengthening the life-saving focus of pooled funds;
- ii) reducing the earmarking of grants from pooled funds;
- iii) clarifying the criteria for using grants from the Central Emergency Response Fund underfunded emergencies window;

- iv) increasing capacity to utilize pooled funds as collateral for the release of internal advances;
- v) enhancing the contribution of pooled funds to the operation of common services in emergencies;
- vi) consolidating fulfilment of WFP's coordination responsibilities to improve support for effective use of pooled funds;
- vii) defining strategic and operational responsibilities for using and reporting on pooled funds at all levels; and
- viii) enhancing the quality, efficiency and utility of monitoring and reporting on the use of pooled funds.

DRAFT DECISION*



The Board takes note of “Summary Evaluation Report of WFP’s Use of Pooled Funds for Humanitarian Preparedness and Response (2009–2013)” (WFP/EB.1/2015/5-B) and the management response in WFP/EB.1/2015/5-B/Add.1, and encourages further action on the recommendations, taking into account considerations raised by the Board during its discussion.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.

INTRODUCTION

Context and Background

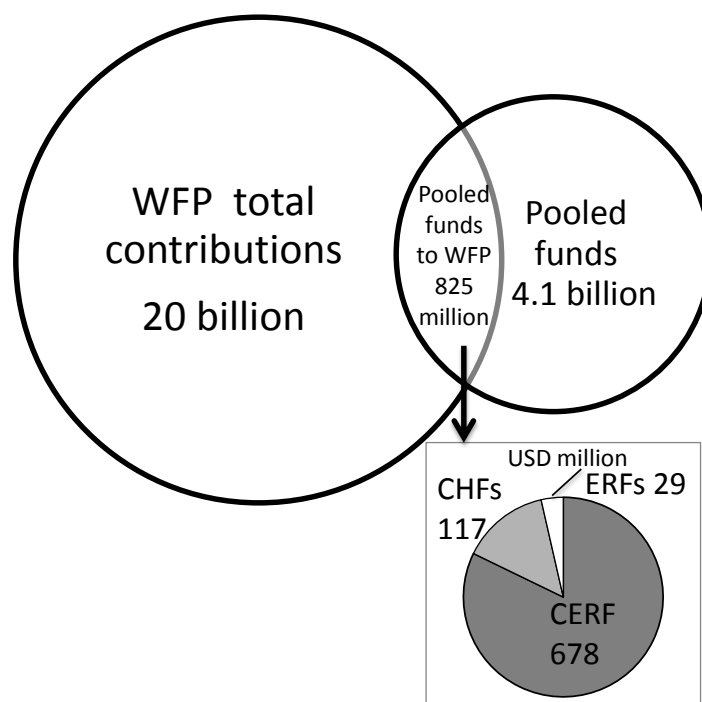
1. This evaluation considers the use of three pooled funds: the global-level Central Emergency Response Fund (CERF); and two country-based pooled funds (CBPFs) – common humanitarian funds (CHF) and emergency response funds (ERFs). These funds were established as a pillar of the humanitarian reforms, to facilitate adequate, flexible and predictable humanitarian financing. They contribute to the other humanitarian reform pillars by reinforcing the role of humanitarian coordinators (HCs), promoting cluster coordination, and strengthening humanitarian partnerships. Table 1 summarizes the main characteristics of pooled funds.

TABLE 1: CHARACTERISTICS OF POOLED FUNDS			
Established	CERF	CHFs	ERFs
	2005	2006	1997
Total number of funds (2013)	1 central fund	5 country funds	13 country funds
Funding structure	Unearmarked funding at global level Two windows: rapid response (RR) window is open for funding applications all year; underfunded emergencies (UF) window allocates funding twice a year	Unearmarked funding at country level Two windows: standard allocations window disburses twice a year; emergency reserve window is similar in function to an ERF	Unearmarked funding at country level Single funding window, generally open for funding applications all year
Objectives	RR: promote early action and response to reduce loss of life; help meet time-critical requirements UF: strengthen core elements of humanitarian response in underfunded crises	Provide early and predictable funding for critical humanitarian needs	Provide rapid and flexible funding for unforeseen, sudden-onset humanitarian emergencies
Eligible recipients	United Nations and International Organization for Migration (IOM)	United Nations, IOM and non-governmental organizations (NGOs)	United Nations, IOM and – mainly – NGOs
Fund size (per year)	USD 450 million in grants – about two-thirds to RR and one-third to UF; USD 30 million in loans	USD 50–120 million per country	Less than USD 10 million per country
Grant size	Less than USD 1 million	Generally more than ERFs	Less than USD 500 000

Source: Office for the Coordination of Humanitarian Affairs (OCHA).

2. As indicated in Figure 1, WFP received a total of USD 825 million from the three pooled funds over the 2009–2013 evaluation period. Although pooled funds account for a relatively minor portion of WFP's total funding – approximately 4 percent of donor contributions – WFP is their largest single recipient. The CERF provides more than 80 percent of pooled funding to WFP, followed by CHFs and relatively small amounts from ERFs.

Figure 1: Pooled fund contributions to WFP, 2009–2013 (USD)



Totals may not add up because of rounding.

Sources: Total pooled funds – OCHA Financial Tracking Service; WFP total contributions – WFP Information Network and Global System (WINGS); pooled funds to WFP and breakdown of funds received by WFP by fund type – WFP weekly contribution statistics, analysis by the evaluation team, 2009–2013 grants only.

3. Pooled funds have principally funded three types of WFP operation: emergency operations (EMOPs) received 41 percent of total pooled funding in the reference period; protracted relief and recovery operations (PRROs) received 38 percent; and special operations received 21 percent. An internal WFP report on pooled funding mechanisms¹ recognized their strengths, including in financing gaps and traditionally underfunded areas of emergency response such as logistics or common services, and promoting coordination and information sharing. The report also noted that the scale of pooled funds was ill suited to supporting large food aid or logistics programmes.

Evaluation Features

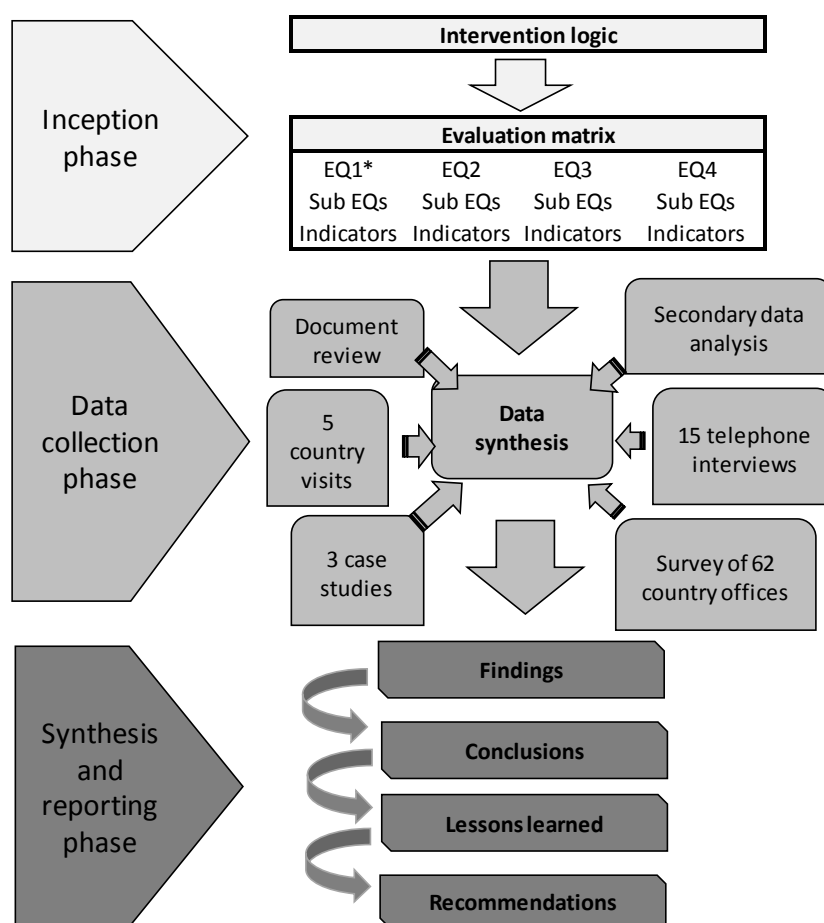
4. The evaluation analysed the use, added value and challenges posed by the use of pooled funds to the effectiveness and efficiency of WFP operations. It is part of a series of three WFP strategic evaluations² on emergency preparedness and response.

¹ Mackey, H. 2008. “Pooled Funding Mechanisms: Background Paper for WFP Resourcing Strategy: 2008–2011”. Bristol, Development Initiatives.

² The other two evaluations in the series are of the joint FAO/WFP global food security cluster and of the Preparedness and Response Enhancement Programme.

5. The evaluation investigated four main issues:
 - a) the contribution of pooled funds to WFP's emergency response;
 - b) complementarities between pooled funds and other financing instruments, and among different pooled funds;
 - c) the impact of coordination mechanisms and pooled-fund partnerships on WFP's capacity to prepare for and respond to emergencies; and
 - d) factors affecting WFP's use of pooled funds.
6. Conducted in 2014, the evaluation encompassed the 62 countries in which WFP received CERF and CBPF funding between 2009 and 2013. The evaluation team drew on data from a literature review, secondary data sources, five country case studies – Ethiopia, Mauritania, Mozambique, the Philippines and Somalia – and an inception mission to the Sudan, interviews with key stakeholders, a survey of WFP country offices and issue-based case studies. Findings were triangulated to develop evidence-based conclusions and recommendations.
7. Challenges encountered during the evaluation included limited and inconsistent data, security constraints to field access, and staff turnover among key stakeholders. However, these limitations did not undermine the overall reliability or relevance of the evaluation's findings.

Figure 2: Evaluation methodological approach



* EQ = evaluation question

EVALUATION FINDINGS

Contribution to WFP's Emergency Response

8. Evaluation findings on how pooled funds contributed to WFP's emergency response included information on the funds' direct contribution to WFP operations, their coherence with WFP objectives and their impact on WFP's operational capacity.

⇒ *Contribution to WFP operations*

9. Pooled-fund grants are usually earmarked within EMOPs and PRROs. Where pooled funds were limited and needs large, grants were often targeted to make more visible contributions to smaller-scale activities and to foster inter-sectoral and inter-agency coordination. During country visits,³ the evaluation found that pooled funding was often earmarked to support cash and voucher distributions and nutrition interventions. CBPF almost never financed general food distribution (GFD) as they were too small to make a meaningful contribution. However, the largest share of CERF grants was used to support GFD.

10. CERF grants were used to support twinning operations in the Philippines, Somalia and Sri Lanka. WFP viewed this use of pooled funds as important because many donors of directed multilateral contributions⁴ do not finance twinning. Disagreement between WFP and the CERF Secretariat regarding WFP's application of indirect support costs to the in-kind portion has limited the use of pooled funds for twinning.

11. Pooled Funds financed a range of common services managed by WFP, including the United Nations Humanitarian Air Service (UNHAS), common logistics services and pipelines, and shared operation hubs. Pooled funds covered 1 to 50 percent of individual operations, with an average of 16.2 percent.⁵ They were a more predictable source of support for start-up costs than for operating costs.

⇒ *Coherence with WFP objectives*

12. WFP's applications for pooled funding remained closely aligned with life-saving criteria. However, there is continual debate in countries concerning whether the use of the CERF conforms with the key criteria for delivering life-saving assistance. The duration of grants from pooled funds was too short to fund preparedness or resilience-building activities. Given the continuing shortfalls in funding for emergency response, most respondents – including WFP managers – argued that pooled funds should retain their focus on life-saving activities.

⇒ *Impact on WFP operational capacity*

13. Overall, the CERF rapid response window contributed to enhancing WFP's capacity to respond rapidly to unforeseen needs. There were many examples of this facility helping to start a range of operations and catalyse subsequent directed multilateral contributions. Pooled funds were generally available to WFP before other directed multilateral donations (Figure 3), and were often one of the first sources of donor funds. However, the period

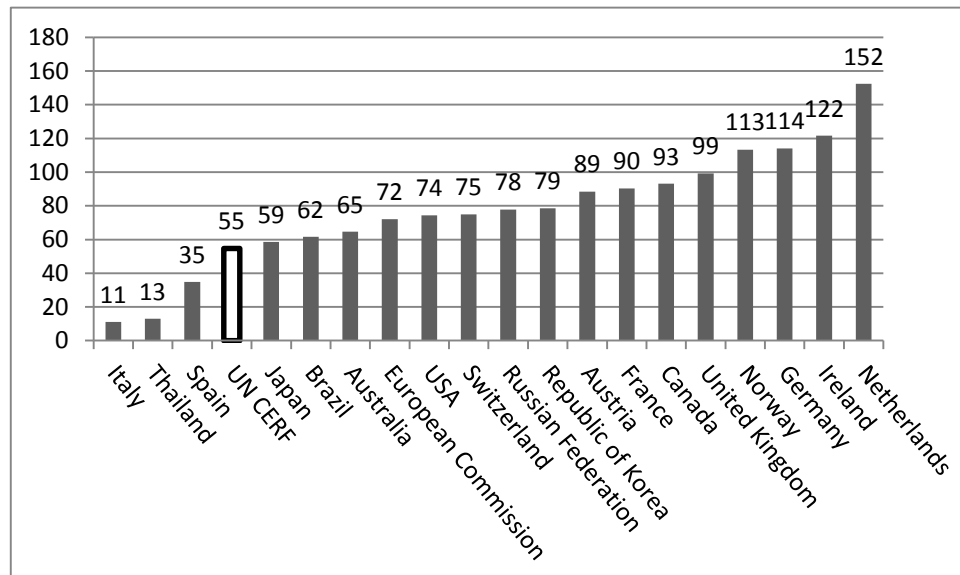
³ WFP secondary data sources do not enable activity-level analysis by donor.

⁴ For directed multilateral contributions, the donor determines the country programme and/or activities in which the contribution will be used.

⁵ Figures refer to the subset of operations receiving pooled funding.

between a sudden-onset crisis and confirmation that CERF rapid response funds were available to WFP averaged 55 days.⁶

Figure 3: Average days between immediate-response EMOP approval and date for exchange of first directed multilateral donor contributions



Source: WFP Standard Project Reports and weekly contribution statistics.

14. It took from 0 to 214 days to mobilize pooled funds. For very urgent needs – such as following typhoon Haiyan or the Haiti earthquake – CERF rapid response grants could be mobilized extremely quickly. Delays in the process were almost always associated with the steps (detailed in Table 2) controlled by the HC or the humanitarian country team (HCT).

TABLE 2: STEPS IN APPROVAL AND DISBURSEMENT OF CERF RAPID RESPONSE GRANTS		
1	Formulation of request to CERF Secretariat	HC/HCT
2	Revision/approval of CERF envelope	CERF Secretariat
3	Allocation of CERF envelope among United Nations agencies	HC/HCT
4	Disbursement of money to United Nations agencies, with agencies' counter-signature of grant approval letters	CERF Secretariat
5	Transferral of funds to field offices	United Nations agencies

15. Access to the CERF underfunded window was unpredictable and inadequate for the scale of WFP's needs. WFP's interpretation of what constitutes an underfunded crisis was inconsistent, ranging from situations where funding was uneven and slow to "forgotten" crises where donors provided minimal support and could be influenced by political considerations.

⁶ Based on analysis of a sample of 28 operations responding to rapid-onset emergencies with clear start dates and receiving pooled funds. The date of approval of an immediate-response EMOP served as a proxy for the start date of a sudden-onset crisis; the date of exchange of a grant agreement – typically a contribution to the subsequent EMOP – was used as the estimated date of confirmed fund availability. This period should not be confused with the estimated actual time taken to respond, as WFP can initiate a rapid response using other resources.

16. Pooled funds have helped to consolidate use of the gender marker in the humanitarian system. In keeping with the funds' requirements, WFP's proposals for pooled funding often include explicit commitments to women, generally through targeting. However, in practice, the pooled funds were judged to have had little influence on how WFP addresses gender considerations in its programmes. Pooled funding processes rely on WFP's internal quality control mechanisms to ensure appropriate inclusion of gender dimensions in programming.

Complementarities with other Financing Instruments and among Pooled Funds

17. This section presents findings on how pooled funds compare with WFP's internal advance financing mechanisms, their relationship to other multilateral donor funding, and complementarities between the CERF and CBPFs.

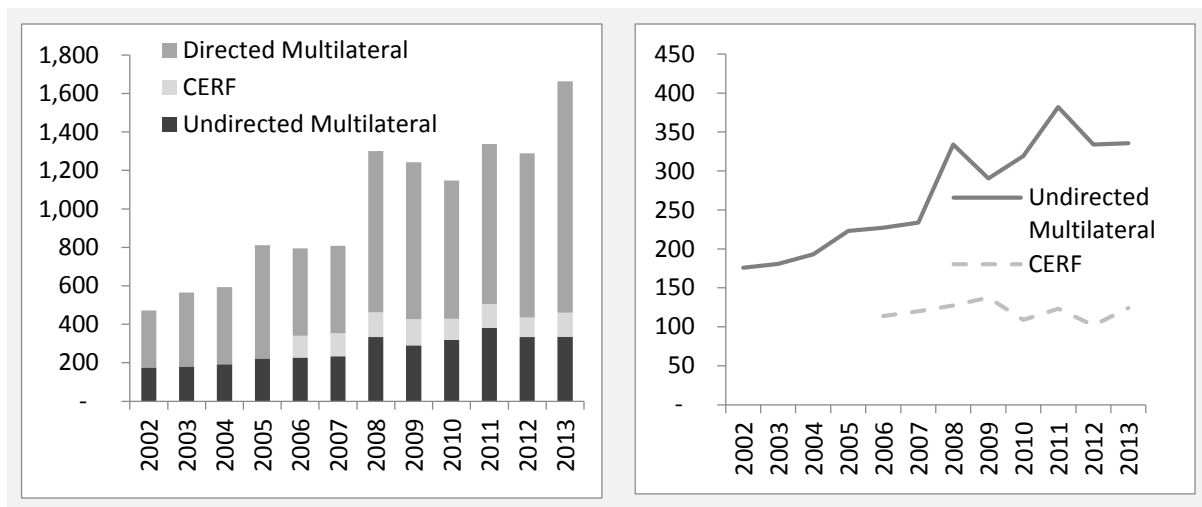
⇒ Complementarities with WFP's internal financing mechanisms

18. WFP has two advance financing mechanisms that enable it to start operations prior to securing contributions: the Immediate Response Account (IRA) and the Working-Capital Financing Facility (WCFF). These mechanisms are critical in providing initial financing for WFP operations and enabling timely response. Access to the IRA is particularly rapid as WFP Country Directors have delegated authority to release the first USD 500,000 within 72 hours. The WCFF and the IRA provided more than three times as much financing to each operation as pooled funds did.
19. Pooled funds are routinely employed in conjunction with internal financing instruments, which they reinforce by providing additional early financing, revolving the IRA, and providing collateral for release of the WCFF, and cash for release of food from the Forward Purchase Facility. The CERF's flexibility in allowing repayment of internal loans is valuable, as many donors impose restrictions on the use of their contributions for repaying loans.

⇒ Complementarities with other multilateral funding

20. Most donors of directed multilateral contributions also contribute to pooled funds, which offer the added value of lower transaction costs to donors and promotion of coordinated – and consequently higher-quality – response. Other benefits, such as timely response and filling of critical gaps, can also be achieved with undirected multilateral contributions to WFP.
21. Figure 4 illustrates how the introduction of pooled funds appears to have provided additional resources to WFP; at a minimum, pooled funds have not been associated with diminished multilateral donations. Through pooled funds, WFP obtains access to a significant number of donors that do not contribute through other channels. Of the 117 donors contributing to the CERF over the reference period, only 75 provided directed multilateral contributions to WFP.

Figure 4: Trends in contributions to WFP from top 12 CERF donors, 2002–2013* (USD million)



* Individual donor contributions to WFP via CERF are estimated by multiplying the amount a donor contributed to CERF in a given year by the proportion of total CERF disbursements to WFP in that year.

Sources: WFP Government Partnerships Division (PGG); CERF Secretariat; evaluation team analysis.

⇒ Complementarities between the CERF and CBPFs

22. There is a strong degree of coherence in the operation of the CERF and the CBPFs, and there are clear distinctions in the objectives, scale, timing and eligible partners of each fund. The same OCHA staff generally manage all pooled funds at the country level, promoting complementary approaches.

Impact of Pooled Fund Partnership and Coordination Mechanisms

23. This section summarizes findings on how pooled funds coordination and leadership mechanisms influence the design and content of WFP's operations, the funds' influence on humanitarian coordination and leadership, and the effects on WFP's relationships with its cooperating partners.

⇒ Influence of coordination and leadership mechanisms on WFP's operations

24. Access to pooled funds has enhanced the engagement of stakeholders – including WFP – in coordinated planning processes. Where available, common needs assessments and strategic response plans informed WFP's design of pooled fund interventions. Peer review of applications by the clusters, the HCT and the HC minimized overlaps, provoked productive discussions of comparative cost efficiency and, to a lesser extent, helped fill gaps in response.
25. However, there was limited progress towards the broader ambitions of delivering innovative integrated programmes and promoting cross-sectoral collaboration, articulated in the humanitarian reforms and Transformative Agenda.

⇒ *Effects of pooled funds on coordination and leadership mechanisms*

26. The pooled funds had limited impact on coordination across the humanitarian system. While the funds encouraged wider participation in coordination processes, partners cited other elements of coordination – such as information – sharing, strategic work planning, common assessments and standard setting – as major reasons for cluster participation. Overall, pooled funds worked better in reinforcing coordination structures than in solving the challenges of weak or absent systems.
27. During country visits, the evaluation team found that WFP had not consistently allocated sufficient resources to its cluster leadership responsibilities,⁷ partly because of field managers' mixed perceptions on the value of cluster coordination. Pooled funds' support of clusters was generally limited to providing supplementary resources to reinforce coordination structures following a crisis.
28. Pooled funds were found to add to the HC's authority, although the size of the funds relative to the scale of WFP's operations meant that the HC's authority could not exert as much authority over WFP as over the other agencies. Ultimately, the qualities of the individual HC were regarded as being more important to the HC's influence than her/his capacity to allocate funding.

⇒ *Effects on WFP's relationship with cooperating partners*

29. Pooled funds have not led to significant changes in WFP's relationships with cooperating partners. The evaluation found that relationships with WFP depend more on the attitude of the WFP Country Director than on constraints imposed by the system. Some Country Directors seemed open to participative dialogue, while others continued to relate to NGOs as traditional implementing partners.
30. OCHA is demanding more information on the transfer of resources from pooled funds to cooperating partners, to improve risk management by CBPFs and to enhance the visibility of indirect CERF disbursements to NGOs. Full reporting on the use of individual grants from pooled funds would demand major changes in WFP budgeting and reporting systems.
31. A CERF analysis⁸ of narrative reports from WFP country offices in 2012 found that it took an average of 42 working days from CERF disbursement to the first instalment reaching cooperating partners for rapid response grants, and 69 days for underfunded emergency grants. WFP data sources did not permit similar analysis for this evaluation, but field visits confirmed significant delays, which occur with all donor contributions. Strategies for mitigating bureaucratic delays included direct implementation by WFP, and NGOs' use of their own resources to commence operations.

Factors Affecting WFP's Use of Pooled Funds

32. This section summarizes the main factors found to affect WFP's use of pooled funds.
33. The project-based approach of application and reporting processes for pooled funds implies that use of the funds incurs additional transaction costs. The application and reporting formats were found to be relatively straightforward, minimizing transaction costs, which the evaluation estimated as ranging from 3 to 7.5 days of country office staff time, at an average cost of USD 4,700 per grant. Additional financial reporting provided by

⁷ "Summary Report of the FAO/WFP Joint Evaluation of Food Security Cluster Coordination in Humanitarian Action (2009–2014)" (WFP/EB.2/2014/6-A).

⁸ CERF. 2014. *CERF Sub-grants to implementing partners. Final analysis of 2012 CERF grants*. New York.

Headquarters was estimated at USD 3,200 per grant. The total additional cost of USD 7,900 per grant represents an average overhead of 0.4 percent.

34. Transaction costs were judged reasonable compared with those of other funding sources. The general opinion of country offices was that the additional costs were acceptable for pooled fund grants over USD 500,000.
35. Much larger transaction costs accrue from WFP's engagement in coordination structures and processes – clusters, and to a lesser extent HCT meetings. However, these costs are not directly associated with access to pooled funds.
36. The quality of WFP's pooled funding submissions was highly variable. Guidance and training are available from OCHA, WFP and other sources. The regional bureaux and Headquarters can assist with quality assurance, but country offices do not generally ask for this. There is demand from country offices for additional targeted guidance and training in reconciling pooled funding processes with WFP systems.
37. The conditions attached to the use of pooled funds were constraining, but WFP managed them well. For example, despite the short six-month window for pooled fund expenditure, WFP spent most grants, only occasionally needing to seek an extension.

CONCLUSIONS

38. It is evident that pooled funds are a positive addition to overall humanitarian funding arrangements, and WFP has capitalized on attributes of the funds to address specific funding requirements. The CERF rapid response window was seen to facilitate rapid response; to a lesser extent, the CBPFs also contributed strategically to operations. One respondent noted that pooled funds had become a useful “piece of the overall funding jigsaw”. However, it was unclear how the Central Emergency Response Fund underfunded emergencies window contributed to ensuring adequate response to underfunded emergencies.
39. The main added value of pooled funds comes from their relative timeliness, predictability and additionality of financing. There is scope to improve timeliness by bringing greater discipline to the HC/HCT process. While predictability has improved in Level 3 emergencies,⁹ funding remains unpredictable for sub-Level 3 contexts, underfunded emergencies, common services and cluster coordination.
40. For WFP, there are strong arguments for retaining a clear focus on life-saving criteria to avoid diluting pooled funds in a context of significant underfunding. Preparedness, resilience-building and social assistance would be better supported through complementary funding instruments, as pooled fund modalities are not well aligned with these objectives.
41. Overall, the CERF and CBPFs were observed to work in synergy at the country level, with each fund having distinct and complementary objectives, mechanisms and partnerships. WFP was relatively consistent in its use of pooled funding, in line with the mandates, scopes and capacities of the respective funds.
42. The evaluation found that WFP's need for rapid financing is met primarily through internal advances, which offer advantages of timeliness, volumes and flexibility. However, pooled funds have an important role in the mobilization of internal advances by providing collateral and revolving advances.

⁹ Declaration of a system-wide Level 3 emergency leads to an automatic CERF rapid response disbursement of USD 20–25 million.

43. Evaluation findings reaffirmed that pooled funds are well matched to funding common services operated by WFP. There is strong common interest in using them for this purpose, except for funding cluster coordination costs, which are best covered by more predictable budget sources; however, pooled funds may usefully supplement the financing of coordination costs in large-scale emergencies.
44. Reconciling WFP's large-scale operations with the project funding model of pooled funds remains challenging. The earmarking of pooled funding for specific activities within WFP operations increases transaction costs, constrains the flexibility of response and does little to improve the quality of response. There appears to be need for a compromise that acknowledges the efficiency and effectiveness gains of WFP's operational approach while ensuring that WFP assists OCHA in discharging its responsibilities to donors.
45. WFP has engaged in coordinated strategy development and project appraisal mechanisms to obtain access to pooled funds. There is evidence that WFP's pooled fund applications are consistent with common assessment findings and strategic response plans. However, there has been little observable change in the substance of WFP's programmes or the nature of its engagement with partners.
46. WFP could benefit from more clearly defined responsibilities for and leadership of pooled fund processes. A lack of clear and simple practical guidance specific to WFP to aid country office staff in developing applications for pooled funding results in inconsistent quality of pooled funding proposals and reports. Internal standards and responsibilities for quality control are unclear, including the support that regional bureaux and Headquarters can provide to country offices.
47. Several aspects of pooled fund monitoring arrangements are weak or inappropriate. Reporting at the project level – rather than on overall operations – is demanding and adds little value. The requirement for reporting on “pass-through” of funds to cooperating partners raises specific problems. There is also insufficient assessment of pooled funds' contribution to the broader goals of more timely response and the institutionalization of humanitarian reforms.

RECOMMENDATIONS

48. All recommendations are directed to WFP. However, many issues identified implicitly require the attention of pooled fund managers and donors, who are encouraged to consider these recommendations.

Recommendation	Proposed Responsibility
<p>1. Maintain and strengthen the life-saving focus of pooled funds.</p>	<p>Partnership and Governance Services Department (PG), Geneva and New York</p>
<p><i>Based on the conclusion that funding for core life-saving criteria was inadequate and the comparative disadvantage in supporting other functions.</i></p> <p>1(a) Advocate with donors on maintaining a focus on life saving across all pooled funds.</p> <p>1(b) Advocate with pooled fund managers on establishing a compliance and monitoring mechanism to ensure that life-saving criteria are respected in the HC/humanitarian programme cycle (HPC) prioritization process.</p> <p>1(c) Advocate for a significant financial augmentation of the CERF rapid response window to enable it to contribute more effectively and at appropriate scale to the core needs of affected populations.</p>	
<p>2. Reduce the earmarking of grants from pooled funds.</p>	<p>Government Partnerships Division (PGG), Geneva and New York</p>
<p><i>Based on the conclusion that earmarking adds transaction costs, constrains flexibility and does little to improve quality.</i></p> <p>2(a) Advocate for enhancing the flexibility of pooled funds by aligning grant contributions with WFP operations, rather than project-level activities.</p>	
<p>3. Clarify the criteria for using grants from the CERF underfunded emergencies window.</p>	<p>PGG and the Office of the Deputy Executive Director (DED)/ Chief Operating Officer (COO)</p>
<p><i>Based on the conclusions regarding the unclear contribution of CERF underfunded emergency grants.</i></p> <p>3(a) Review and adapt the criteria used by WFP to identify underfunded emergencies to prioritize crises that are both underfunded – as opposed to experiencing temporary cash-flow difficulties – and emergencies, as opposed to operations that address chronic poverty.</p> <p>3(b) Advocate with pooled fund managers on clarifying the criteria for making allocations from the CERF underfunded emergencies window to forgotten emergencies.</p>	

Recommendation	Proposed Responsibility
<p>4. Increase the capacity of WFP to utilize pooled funds as collateral for the release of internal advances.</p>	<p>PGG and Budget and Programming Division</p>
<p><i>Based on the conclusion that pooled funds have a complementary role in supporting the deployment of internal advances.</i></p> <p>4(a) Building on existing mechanisms, increase the risk appetite for using advance funds by using early forecasting of CERF contributions as a basis for releases. Consider the use of generic forecasts and broader collateral, rather than firm forecasts of specific grants.</p> <p>4(b) Support the establishment of clear definitions and protocols for activation of the CERF rapid response facility in Level 2 and Level 1 emergencies, and advocate for their system-wide introduction.</p>	
<p>5. Enhance the contribution of pooled funds to the operation of common services in emergencies.</p>	
<p><i>Based on the conclusion that pooled funds are important in funding common services.</i></p> <p>5(a) Advocate with the Inter-Agency Standing Committee Principals for an inter-agency review of funding of common services through all pooled funds – CERF and CBPFs</p> <p>5(b) Advocate with the CERF Secretariat to: i) develop inclusive guidelines on use of the CERF rapid response facility in financing all common services – not just UNHAS – including financing of cluster coordination costs and ii) specify the use of Level 3 CERF rapid response activation in financing the start-up of common services.</p>	<p>Geneva</p> <p>Common Logistics Services Division, Emergency Preparedness Division</p>
<p>6. Consolidate fulfilment of WFP’s coordination responsibilities to improve support for effective use of pooled funds.</p>	
<p><i>Based on the finding that WFP has not consistently allocated sufficient resources to fulfilling its cluster leadership responsibilities.</i></p> <p>6(a) Clarify the corporate position and expectations regarding country offices’ responsibilities for cluster/sector coordination where WFP is the lead/co-lead, including performance targets and accountability arrangements.</p> <p>6(b) Ensure that the indicators on cluster performance included in the 2014–2017 WFP Management Results Framework are incorporated into relevant country office performance plans, monitored and reported on at the corporate level at appropriate times.</p>	<p>Office of the DED/COO</p> <p>Performance Management and Monitoring Division (RMP)</p>
<p>7. Define strategic and operational responsibilities for using and reporting on pooled funds at all levels.</p>	<p>PGG</p>
<p><i>Based on the conclusion that responsibilities for pooled funding processes are poorly defined.</i></p> <p>7(a) Define the respective roles and responsibilities of Headquarters units, regional bureaux and country offices in managing pooled funding processes to enhance the credibility of and accountability for the application process.</p> <p>7(b) Develop and implement a training package for both online and face-to-face delivery.</p>	

Recommendation	Proposed Responsibility
8. Enhance the quality, efficiency and utility of monitoring and reporting on the use of pooled funds.	
<p><i>Based on the conclusion that aspects of monitoring arrangements are weak or inappropriate.</i></p> <p>8(a) Negotiate limiting the contents of narrative and financial reports to information that is necessary for the management of pooled funds and that justifies the additional transaction costs.</p> <p>8(b) Review WFP Standard Project Reports to assess whether they could be aligned with a revised reporting format for pooled funding, and generally be considered fit for purpose by donors.</p> <p>8(c) Systematically apply relevant corporate key performance indicators from WFP's Management Results Framework to track the response times for sudden-onset emergencies, and report on performance through the Annual Performance Report. Performance on the specific indicators should be analysed in depth, including by breaking down processes into sub-steps when relevant.</p> <p>8(d) Advocate with OCHA for the clarification, monitoring and reporting of all steps – not just the CERF Secretariat's responsibilities – taken to release CERF rapid response grants, including processes under the jurisdiction of the HC/HCT.</p>	<p>RMP and Finance and Treasury Division RMP</p> <p>RMP and country offices</p> <p>PGG and New York</p>

ACRONYMS USED IN THE DOCUMENT

CBPF	country-based pooled fund
CERF	Central Emergency Response Fund
CHF	common humanitarian fund
DED/COO	Deputy Executive Director/Chief Operating Officer
EMOP	emergency operation
ERF	emergency response fund
GFD	general food distribution
HC	humanitarian coordinator
HCT	humanitarian country team
IOM	International Organization for Migration
IRA	Immediate Response Account
NGO	non-governmental organization
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
PGG	Government Partnerships Division
PRRO	protracted relief and recovery operation
RMP	Performance Management and Monitoring Division
RR	rapid response (CERF window)
UF	underfunded emergencies (CERF window)
UNHAS	United Nations Humanitarian Air Service
WCFF	Working-Capital Financing Facility